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HEARINGS

BEFORE

U.S. Congress.

SUBCOMMITTEE OF HOUSE COMMITTEE ON APPROPRIATIONS

CONSISTING OF

MESSRS. HEMENWAY, VAN VOORHIS, BURKETT, LIVINGSTON, AND UNDERWOOD,



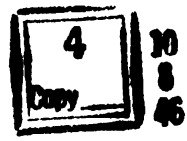
IN CHARGE OF

DEFICIENCY APPROPRIATIONS FOR 1905 AND PRIOR YEARS

ON

GENERAL DEFICIENCY BILL.

WASHINGTON:
GOVERNMENT PRINTING OFFICE.
1905.


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GENERAL DEFICIENCY BILL.

Hearings conducted by the subcommittee, Messrs. J. A. Hemenway (chairman), H. C. Van Voorhis, E. J. Burkett, L. F. Livingston, and Oscar W. Underwood, of the Committee on Appropriations, House of Representatives, in charge of deficiencies for the fiscal year 1905 and prior years, on the days following, namely:

FRIDAY, *February 17, 1905.*

STATE DEPARTMENT.

STATEMENT OF MR. HERBERT H. D. PEIRCE, ASSISTANT SECRETARY, ACCOMPANIED BY MR. W. A. FITZSIMMONS.

PURCHASE OF HORSES.

The CHAIRMAN. There is an item for the purchase of four horses for the official use of the Department of State, $1,200. What is the necessity for that purchase?

Secretary PEIRCE. The four horses are to replace horses that are quite used up.

The CHAIRMAN. What do you use the horses for that these horses are to replace?

Secretary PEIRCE. The horses for the Secretary's carriage. The present pair are 15 years old and one is very lame; and two horses are for the mail and delivery wagons.

The CHAIRMAN. What is their condition?

Secretary PEIRCE. Both have been condemned as useless.

The CHAIRMAN. Who condemns them?

Secretary PEIRCE. Perhaps that is too technical a term to apply. The chief clerk has charge of the stable and he reports when the horses are no longer fit for use.

The CHAIRMAN. The chief clerk has charge and when he ascertains that a horse is of no value he reports it?

Secretary PEIRCE. Yes, sir.

The CHAIRMAN. As a matter of fact these four horses are worn-out and too old for service?

Secretary PEIRCE. Yes, sir.

The CHAIRMAN. You want two horses for the Secretary's carriage and two horses for the wagon?

Secretary PEIRCE. Yes, sir.

Mr. UNDERWOOD. Did not the bill of last year provide for the purchase of four horses for the Department of State?

Secretary PEIRCE. Two years ago an appropriation was made for the purchase of horses, but they were not these horses.

Mr. UNDERWOOD. How many horses have you in use in the Department?

Secretary PEIRCE. We have seven horses in all.

Mr. LIVINGSTON. What becomes of the condemned horses?

Secretary PEIRCE. They are sold, and in purchasing new horses generally a trade is made.

Mr. LIVINGSTON. You trade the old horses for the new ones?

Secretary PEIRCE. Yes, sir.

Mr. LIVINGSTON. Who does that trading?

Secretary PEIRCE. The chief clerk.

Mr. LIVINGSTON. Is he a horse man?

Secretary PEIRCE. He has had a great deal of experience with horses.

The CHAIRMAN. You have seven horses altogether?

Secretary PEIRCE. Yes, sir; seven horses altogether.

The CHAIRMAN. What did you do with the two you bought last year?

Secretary PEIRCE. I can not tell you exactly what disposition was made of the horses. The chief clerk, as I tell you, runs the stable. Unfortunately, one of the horses purchased last year had the staggers. That is a thing you can not foresee, you know.

Mr. LIVINGSTON. I do not know what you call "staggers," but a horse with the blind staggers is not worth 50 cents.

Secretary PEIRCE. Precisely, and you can not foresee it. Perhaps you have had the horse six weeks or two months, and you find that he is subject to vertigo. That is what it is.

The CHAIRMAN. That horse is, of course, of no value?

Secretary PEIRCE. No, sir.

The CHAIRMAN. What became of the other horse; do you know?

Secretary PEIRCE. I think he is one of the horses either used by one of the assistant secretaries, or else he is one of the horses used occasionally to take the place of the lame horse in the Secretary's carriage when that horse is not fit to drive, which is a large part of the time; but the horses are used as best they can be; not always for the same purpose.

The CHAIRMAN. You say the horses used by the Secretary are 14 or 15 years old?

Secretary PEIRCE. Yes, sir; 15 years old. We have had both of them nine years.

SALARIES, CHARGÉS D'AFFAIRES AD INTERIM.

The CHAIRMAN. On page 2 of the bill there is the item "Salaries, chargés d'affaires ad interim: For chargés d'affaires ad interim and diplomatic officers abroad, $40,000." Please explain that item.

Secretary PEIRCE. That is to meet an anticipated deficiency. We have $4,000 left from the appropriation to carry us until the 1st of July.

The CHAIRMAN. This appropriation is used where the officer in charge is on a leave of absence and his secretary takes his place?

Secretary PEIRCE. Where his secretary by law takes his place, and is entitled to compensation at the rate of one-half of the compensation of the chief of the mission.

The CHAIRMAN. In addition to his salary?

Secretary PEIRCE. No, sir His salary stops.

The CHAIRMAN. He gets one-half of the salary of officer in charge?

Secretary PEIRCE. Not one-half of the minister's salary, but a sum equaling one-half of the minister's salary. That is to say, nothing is taken from the minister's salary.

The CHAIRMAN. Could you give us a statement of the leaves of absence granted?

Secretary PEIRCE. A leave of absence can only be granted by statute for sixty days in one year, but if the minister comes to the United States he is entitled to the time allowed for transit going and coming.

The CHAIRMAN. In addition to the sixty days?

Secretary PEIRCE. Yes, sir.

The CHAIRMAN. Do they all take their sixty days' leave?

Secretary PEIRCE. Yes, sir; generally, as a rule.

The CHAIRMAN. You can not, under the law, grant more than sixty days?

Secretary PEIRCE. Absolutely, no; but it is impossible exactly to foresee this amount. We estimated for $40,000, and there were only $35,000 appropriated.

The CHAIRMAN. Why do they not allow this item on the diplomatic bill?

Secretary PEIRCE. I can not tell you.

The CHAIRMAN. Do you estimate for it in your estimate that goes to the Foreign Affairs Committee?

Secretary PEIRCE. Yes, sir.

The CHAIRMAN. Under the law you are compelled when the request is made to grant the sixty days' leave?

Secretary PEIRCE. Certainly. We are not compelled to grant it, but it is the right of the ministers, and if for any reason on account of public business it is improper that he should leave his post of course it is not granted; but as a rule, it is granted. If the $5,000 asked for is not granted, it is pretty certain that by the end of the year the appropriation will have been exhausted before the secretaries who are entitled by law to that compensation have been paid. We simply can not pay them.

Mr. LIVINGSTON. Will not this be the result, that the ministers will simply have to stay at their posts?

Secretary PEIRCE. No, sir.

Mr. LIVINGSTON. You can not grant leaves to make a deficit?

Secretary PEIRCE. We do not grant leaves to the ministers on the basis of there being money to pay the chargé d'affaires. It is the chargé d'affaires' misfortune if there is no money to pay him.

Mr. LIVINGSTON. Suppose you have no money?

Secretary PEIRCE. Then the chargé d'affaires has to get along with the salary of secretary of legation, but the law prescribes that he shall be paid on the basis which I tell you.

Mr. LIVINGSTON. But still you do not come down to my point. Suppose you do not have the money?

Secretary PEIRCE. The minister is entitled to his leave of absence independent of whether the chargé d'affaires gets his compensation.

Mr. LIVINGSTON. He has no fee-simple title; it is a matter discretionary with the Department?

Secretary PEIRCE. It is a matter largely at the discretion of the Department, but it is evident that it was the intention of the law that

the ministers should receive the leaves of absence unless there was some special reason why they should not. Now, it would be no reason why the minister should not have his vacation, his leave of absence, if there was no money to pay the chargé d' affaires. The chargé d' affaires would then only be able to draw his salary as secretary of legation. It would be an unreasonable hardship to say to the minister, "You can not have your vacation because there is no means of paying the extra compensation of the secretary of legation for acting as chargé d' affaires." In point of fact that happened in the past at St. Petersburg, to my knowledge, some twelve years ago. There is a contingency that might arise. A minister might resign, there may be an unexpected lapse—he may die. That was the case at St. Petersburg. The new minister was not appointed for a long time. There was a long service of chargé d' affaires, and the chargé d' affaires could not get his compensation until a special bill was passed providing for it.

Mr. LIVINGSTON. How long has that rule obtained that the secretary shall get half?

Secretary PEIRCE. I can not tell you, but it is a matter of statute.

Mr. LIVINGSTON. Is it a statute or does it come in on an appropriation bill?

Secretary PEIRCE. It is a statutory provision of law.

CONSULAR SERVICE, CONTINGENT EXPENSES.

The CHAIRMAN. On page 3, for "Contingent expenses, United States consulates," you ask $60,000 deficiency. You had $255,000 last year?

Secretary PEIRCE. We estimated for $290,000.

The CHAIRMAN. We gave you $255,000, the same amount that was expended in 1904?

Secretary PEIRCE. Yes, sir.

The CHAIRMAN. What occasions an increase of $60,000?

Mr. FITZSIMMONS. The cost of the service for 1904 was over $300,000, including the deficiency. There are certified claims before the committee of $40,000 from the auditor, making over $300,000 for the cost of the service for 1904.

Secretary PEIRCE. The expenditure was practically the same. It was a little higher in 1903 than in 1904.

The appropriation was $215,000 and $40,000 for anticipated deficiency, and there was an appropriation of $43,279.43 for certified claims, and there are now certified claims before the committee of $4,174.69, making in all $302,454.12. That was 1903. In 1904 the amount estimated was $255,000. The original appropriation was $215,000. There was an anticipated deficiency of $45,000, making $260,000. There are certified claims now pending before the committee of $40,164.27, making $300,164.27. So for 1904 the expenditures were $2,500, in round numbers, less than for 1903. For the present year we have asked $290,000. There was an appropriation made of $255,000. There was expended up to February 16, $125,000. That leaves a balance of $130,000, with probably $15,000 of accounts on hand unsettled and a good many accounts for the first half of the year not yet received.

The CHAIRMAN. What is this money expended for and upon whose certificate?

Secretary PEIRCE. It is expended for the contingent expenses of the various consulates and missions and the expense of the Department in dealing with them.

The CHAIRMAN. Give us the items.

Mr. FITZSIMMONS. The first item is rent, and then follow the various items called "contingent," such as stationery and other purchases of that kind, and then janitor service and various contingent items.

The CHAIRMAN. What do you pay in the way of salaries?

Secretary PEIRCE. None of that appropriation is used in the payment of salaries.

The CHAIRMAN. You pay the janitors?

Secretary PEIRCE. That is rather for cleaning up the consulates.

Mr. FITZSIMMONS. That is done in a few cases and it amounts in some instances up to $15 a quarter.

Mr. LIVINGSTON. A consul draws his own vouchers and there is nobody to criticise them?

Secretary PEIRCE. His vouchers are all sent to the Department.

Mr. LIVINGSTON. But you always pay them, whatever they are?

Secretary PEIRCE. Not at all. They are not paid until passed upon by the Department and then the Auditor.

Mr. LIVINGSTON. The Auditor only passes upon the question of dollars and cents. He does not pass upon the question of propriety or impropriety.

Mr. FITZSIMMONS. He passes upon the question of whether it is a legal charge against the appropriation.

Secretary PEIRCE. We pass upon the question of whether it is an account that can be allowed, and if it is an unusual expenditure he is not allowed to incur it without first obtaining the authority of the Department.

Mr. BURKETT. You have certified claims. After Congress makes an appropriation of so much money to run this consular service, where is the right and who exercises the right to go beyond what Congress appropriates and spend money that they have not had and then make a claim to come in afterwards?

Secretary PEIRCE. That is the authority of the Secretary.

Mr. BURKETT. The Secretary of State?

Secretary PEIRCE. Yes, sir.

Mr. FITZSIMMONS. It would be absolutely impossible to fix the exact amount, but these certified claims are submitted by the Auditor.

Mr. BURKETT. Who makes the claims?

Mr. FITZSIMMONS. These are the accounts that come in and are settled by the Auditor, and he certifies the amounts due and then they are certified to the committee by the Secretary of the Treasury.

Mr. BURKETT. Then the consul has free range to expend whatever he thinks right for the consulate, and the Department looks over the account to see if the figures are accurate and to see if the money has been spent within the law?

Secretary PEIRCE. The consul is not allowed to expend at his own option sums of money. The items of rent, for instance, are passed upon first by the Department, and that is the case with most of the items. Of course there are some minor items which the consul is given a certain free hand in, because it would be impossible to carry on the business if he were obliged to wait for authority from the Department of State before making any expenditures.

Mr. BURKETT. The Government provides so much for this service in the consular bill?

Secretary PEIRCE. Yes, sir.

Mr. BURKETT. Now, you say it is the Secretary of State who goes on and expends more money than Congress says it wants to pay for the consular service. Does he have to keep up a certain number of consulates?

Secretary PEIRCE. Yes, sir; if they are provided for in the appropriation.

Mr. BURKETT. The law requires him to keep them up and if the money is not sufficient he is obliged to keep them up anyhow?

Secretary PEIRCE. I can not interpret the law.

Mr. BURKETT. Somebody ought to know why when this money is provided to keep up so many consulates he is justified in expending more money. If Congress only appropriates so many dollars for the consular service, and he, on his own motion, can extend that until he has spent a good many hundred thousand dollars more, that is another question.

Secretary PEIRCE. As I understand, we must maintain those consulates. They are provided for in the consular and diplomatic bill and the business of the Government there has to be carried on.

Mr. LIVINGSTON. Are not rents and other necessary items provided or in the same bill?

Secretary PEIRCE. No, sir. Please observe that the fees collected by the various consulates for the year ending June 30, 1904, and turned into the Treasury were $1,164,719.83. The amount carried in the diplomatic and consular bill now before the Senate for the consular service appropriates $1,050,085, making a balance of income to the Government of $114,643.83.

The CHAIRMAN. I wish you would make a note of this and give us the information if you can. In 1897 we appropriated $180,000 and also in round figures $10,000 deficiency, making about $190,000. Now, the increased cost for the contingent expenses from that time to this has been something over a hundred thousand dollars. I would like to have you advise the committee as to the number of consuls that we had in 1897 and the increase by law of consuls since that time, the cost of contingent expenses for the new places created, and the increased cost of the established places prior to that time, so we can ascertain where this increase comes in. That is, if the consul-general at Paris has increased the contingent expenses since 1897, what the increase has been, and the same at London, and so on, so that we may ascertain how this increase has been used.

Secretary PEIRCE. Very well. Please observe that for the fiscal year 1904 the net cost of the consular service was only $25,000 and the single consulate at St. Gall, by the statement of the Secretary of the Treasury at that time, saved to the Government of the United States in preventing frauds upon the revenues $800,000. There are many consulates that are doing the same thing. Our consuls abroad largely act as agents to prevent the undervaluation of goods and frauds upon our customs revenues. I think it is safe to say that the net cost of the consular service may be this year—I am speaking from memory—perhaps $125,000. I think it is safe to say that the consular service saved to the Government in that particular, by prevention of frauds, apart from the service in increasing our exports of goods, two or three

million dollars. I can not believe that there is a better investment possible than that.

The CHAIRMAN. That is what I want. I want you to point out in a communication where this increase comes and the results, if they have been beneficial, the number of new places created since 1897, their cost in the way of contingent expenses, the increase at the different posts, and any remarks that you want to make as to the benefits we derive from the increased expenditures.

Mr. LIVINGSTON. Is it not true that your agents are largely turning to revenue agents and leaving international commerce and everything of that sort on the outside?

Secretary PEIRCE. Not at all. On the contrary our consular reports are the model for the consular service of all the rest of the world and are quoted in the official documents, frequently repeated both in the German and British official documents. Our consular service is the best consular service in the world in just that particular. We are advancing our commerce and that is capable of demonstration. Of course our consular agents can not act as the business agents of a firm, but they are always ready to help any American who will go out to introduce his goods.

Mr. UNDERWOOD. Going back to the efficiency of the service and the increased revenues derived, that is due to the increased efficiency of the consular agents?

Secretary PEIRCE. It is.

Mr. UNDERWOOD. It is not due to his quarters?

Secretary PEIRCE. He must be given the machinery to do it with. It is no more due to his quarters than any other business undertaking is due to the quarters in which it does business, but it is found by business men and bankers that it pays to have good quarters.

Mr. UNDERWOOD. I see here that for a number of years the expenses of this contingent fund have exceeded what the Department estimated for. In other words, that the consular agents have exceeded each year what the Department thought was sufficient to maintain them.

Secretary PEIRCE. Did it exceed the estimate or did it exceed the appropriation?

Mr. UNDERWOOD. It exceeded both the estimate and the appropriation.

Secretary PEIRCE. We estimate as closely as possible.

Mr. UNDERWOOD. For 1901 you estimated $200,000. The appropriation was $200,000 and there was a deficiency of $51,000, which shows that that year the consular officers spent more than the Department though necessary?

Secretary PEIRCE. Yes, sir.

Mr. UNDERWOOD. And next year, 1902, you estimated for $200,000 and they exceeded it by $57,000. The next year, 1903, you asked for $200,000. Congress gave you $205,000, and they exceeded your estimate $40,000. The next year, 1904, you asked for $255,000. Congress gave you $215,000 and there was a deficiency of $45,000, which made $260,000. They again exceeded the estimate.

Secretary PEIRCE. That was just by $5,000.

Mr. UNDERWOOD. That was the smallest amount. This year you asked for $290,000. The appropriation was $255,000 and you are asking for $60,000 deficiency. They have exceeded your estimate this year by $25,000?

Secretary PEIRCE. Yes, sir; we estimate as nearly as we can.

Mr. UNDERWOOD. They are running over each year what the Department thought was necessary for their quarters and janitor services?

Secretary PEIRCE. That comes from the unforseen growth of the service. In point of fact it comes from the increase of business.

Mr. UNDERWOOD. But the efficiency of the consular agents who take care of the increased business is not regulated by the quarters they are in?

Secretary PEIRCE. This is not salaries.

Mr. UNDERWOOD. I know. This is not for clerical force. This is merely for the janitors and quarters.

Secretary PEIRCE. Mr. Fitzsimmons states that those are only two items.

Mr. UNDERWOOD. I would like to have the other items stated. It looks to me as though there was looseness in checking this account.

Secretary PEIRCE. We are as careful as we can be.

Mr. UNDERWOOD. I do not mean in the Department, but somebody is continually overrunning their accounts and then we have a deficiency to look after, and it seems to me there ought to be some way of holding it down. They not only run over the estimates of Congress, but the Department's estimates.

Mr. FITZSIMMONS. The items under "contingent expenses" are stationery, blanks, records and other books, seals, presses, flags, signs, rent, postage, furniture, statistics, newspapers, freight (foreign and domestic), telegrams, advertising, messenger service, traveling expenses of consular officers and consular clerks, compensation of Chinese writers, loss by exchange, and such other miseellaneous expenses.

Mr. UNDERWOOD. If it meets with the approval of the chairman, I would like to have you give us a general statement as to how much is expended of this fund for these separate items, so we may know how much goes for rent, etc.

The CHAIRMAN. Give us a detailed statement of the expenditure of $255,000, or take the expenditures you have for 1904 and give us in detail what the money was expended for. How much for rent, etc.

Mr. FITZSIMMONS. The rent is fixed by statute. It can not exceed that point.

The CHAIRMAN. The rent is fixed by law?

Mr. FITZSIMMONS. Yes, sir; and it can not be in excess of 20 per cent of the consul's salary. Of course in the majority of places the rent exceeds that and the consul is compelled to pay considerably more. In some few places the rent does not reach that point. The rent is one of the big items. Every year with the increases in the salaries of the consuls they want better quarters.

The CHAIRMAN. Does that mean the business office?

Mr. FITZSIMMONS. Yes, sir; the business office.

The CHAIRMAN. Not the residence?

Secretary PEIRCE. The consul pays for his residence out of his own pocket.

PRINTING AND BINDING.

STATEMENT OF MR. W. H. MICHAEL, CHIEF CLERK.

The CHAIRMAN. On page 144 of the bill there is the item, "For printing and binding for the State Department, $10,000." We gave you $35,000 last year. That was your estimate. You have never had more than $35,000 for this purpose. What is the necessity for this deficiency?

Mr. MICHAEL. The unusual work that has fallen upon the Department which was not anticipated in making up the estimate.

The CHAIRMAN. This is an increase of nearly one-third?

Mr. MICHAEL. Yes, sir.

The CHAIRMAN. What is the unusual work?

Mr. MICHAEL. The printing of the Alaska Boundary Report, $4,000; Treaties in Force, $603.54; report by Mr. Peirce on the Consular Service, $614.89; binding old books for library, $440; printing and binding Conventions and Treaties with China, $237.50; binding 100 copies of treaties, $100; printing index cards—we are endeavoring to index the records of the Department from the beginning and have been putting on an extra force and doing everything we can to bring up the card-record index in the Department. That has cost already $100. The cost of the work at the branch office is just about $900 every two weeks. Printing and binding for the consular service, which has been heretofore paid out of the fund for the contingent expenses for United States consulates, has been paid out of this item, which amounts to about $4,000.

The CHAIRMAN. Why do you not pay that out of the contingent fund now?

Mr. MICHAEL. Because of other demands upon that fund—unusual demands.

Mr. BURKETT. When you had a special printing fund, how could you go into the contingent fund for printing?

Mr. MICHAEL. Heretofore all the printing and binding for the consular service was paid out of the contingent fund for United States consulates, but owing to the unusual demands upon that fund it was thought best to transfer the cost to the printing allotment rather than to take it out of that fund.

Mr. BURKETT. What would happen if we did not make this appropriation?

Mr. MICHAEL. We would get behind just that far, $10,000.

Mr. BURKETT. Would it shut off useless printing and binding?

Mr. MICHAEL. I have already enumerated the work that has been done and is being done.

Mr. UNDERWOOD. You have not overdrawn the account?

Mr. MICHAEL. We have $2,717.34 to our credit.

Mr. UNDERWOOD. If we do not allow this deficiency, what documents would not be printed during the balance of the fiscal year?

Mr. MICHAEL. This work has been done and is being done. For instance, the Alaskan Boundary Report. That is partly done and being done.

Mr. LIVINGSTON. How many copies are being printed?

Mr. MICHAEL. I do not recall.

Mr. LIVINGSTON. What is the total cost?

Mr. MICHAEL. Four thousand dollars. It is quite an elaborate affair, with maps, etc. It is really a Congressional matter. The information has been called for by Congress.

Mr. UNDERWOOD. You estimate the whole cost at $4,000?

Mr. MICHAEL. Yes, sir.

Mr. UNDERWOOD. What have you on hand that you want to print and pay for between now and the 1st of July?

Mr. MICHAEL. Before the 1st of July we will have to pay for the Alaskan Boundary Report.

Mr. UNDERWOOD. You have already accounted for those things, as I understood you in your estimate, and you have a balance after paying for them?

Mr. MICHAEL. Not at all.

Mr. UNDERWOOD. This is all outside of the estimate?

Mr. MICHAEL. These are things that were not anticipated in making up the estimate, and are to be paid for out of this deficiency.

Mr. BURKETT. You have already contracted for printing that will take more than your appropriation?

Mr. MICHAEL. It will take $10,000.

Mr. UNDERWOOD. You have not contracted for anything in advance beyond what you have on hand?

Mr. MICHAEL. It is impossible to tell exactly how much money we have on hand for printing and binding owing to the condition of things at the Government Printing Office, and you can hardly anticipate what a thing will cost. They add from 20 to 30 per cent to everything, you know, in order to meet the requirements of the Office in replenishing type, machinery, and everything of that kind. It is sometimes 25 or 30 per cent. Take the printing of the Alaskan Boundary Report, we could not tell what that would cost, and we could not anticipate it because we did not know how many maps there would be, and there are a great many handsome illustrations.

Mr. BURKETT. Is there any way that Congress can appropriate a certain amount of money for these Departments and compel you to spend no more.

Mr. MICHAEL. I think that could be done by simply shutting off any work.

Mr. BURKETT. It might be done by reducing the amount of worthless things that you publish.

Mr. MICHAEL. I do not know that we publish anything that is worthless. Take the largest item, for the Alaskan Boundary Report; that publication of course you gentlemen of the House and Senate will be calling for and have been calling for; and if we neglect to furnish the information in the compact form that you require on that subject, then of course we are liable to criticism and ought to be.

Mr. UNDERWOOD. Is that report finished?

Mr. MICHAEL. No, sir. It is still in the hands of the printer.

Mr. UNDERWOOD. Are any of the publications you referred to finished?

Mr. MICHAEL. They are nearly all finished. Of course the small jobs are all finished. The item of $603.54 for Treaties in Force—we did not intend to print that document. We did not expect any such expenditure as that, but it was really required of us by Congress. The Foreign Relations Committee of the Senate started that.

Mr. UNDERWOOD. Is that completed?

Mr. MICHAEL. Yes, sir. It is called for by Senators and Representatives every day, notwithstanding they have copies to their credit at the Capitol.

Mr. BURKETT. I notice that costs $1 a volume for binding?

Mr. MICHAEL. Yes, sir.

Mr. BURKETT. What style of binding?

Mr. MICHAEL. Cloth.

Mr. BURKETT. It costs $1 a volume to bind?

Mr. MICHAEL. Yes, sir. That of course we have nothing to do with. It is a matter entirely within the province of the Government Printing Office.

Mr. BURKETT. That is one volume?

Mr. MICHAEL. Yes, sir.

Most of the late years we have really turned money into the Treasury. Next year it is barely possible that we will not expend $35,000. You see the work comes upon the Department irregularly. It may be more for this fiscal year than it will be next year, and this year a little more than it was last year. You can not anticipate every expenditure.

The CHAIRMAN. It depends a good deal upon the action of Congress. If they call for these things you have to furnish them?

Mr. MICHAEL. Yes, sir.

FEBRUARY 20, 1905.

INTERNATIONAL PRISON COMMISSION.

STATEMENT OF MR. SAMUEL J. BARROWS, COMMISSIONER.

Mr. BARROWS. I will make just a brief statement in regard to the appropriation for the International Prison Commission. This is the first time any deficiency appropriation has ever been asked for, and some explanation might be desired, and I was asked, as the representative of the commission and the Department, to make any statement necessary. There has been no additional expenditures during the year. Only last year the amount of the appropriation was reduced to $1,000, which was a great cut and left very little to be expended after the subscription of the United States had been paid—only $650, and that amount has been expended, except $4. There is nothing left to the credit of this fund, and there is a great deal of work to be done during the next five months in preparing the reports that are necessary for the International Prison Congress. I should say that this commission stands in a different relation to the United States from most any other commission, because the congress was formed by the United States, the United States invited the other nations of the world to form this congress in 1871, and it has been in operation for thirty-four years. The United States has been an inherent member since 1886, and the usual amount of the appropriation has been $2,000.

The CHAIRMAN. What did you do with the money last year?

Mr. BARROWS. The amount has been expended in clerical services and making reports, postage, and other things.

The CHAIRMAN. What do you report about?

Mr. BARROWS. Here [exhibiting] is the report on the children's courts in the United States, which has just been published and is to the credit of the members of Congress. That is one of the most interesting subjects both abroad and at home and marks the new movement in penology. The most important thing in criminology during the last five years has been the special courts to try children for their offenses.

Here [exhibiting] is another publication on tuberculosis in penal institutions, which has just been published.

The CHAIRMAN. How often does this international congress meet?

Mr. BARROWS. The International Prison Congress meets every five years. The prison commission is the executive body of the congress, composed of one member from each nation, and meets each year.

The CHAIRMAN. You pay the representative out of this appropriation?

Mr. BARROWS. There is no salary paid. The work is mostly voluntary. There are seven or eight judges who have contributed reports. We have published contributions by Mr. Choate, the late Senator Hoar, Secretary Long, Justice Brewer, and Chief Justice Knowlton, of Massachusetts. Their work is all voluntary. We get a large amount of voluntary work. We could not get it in any other way. All the Government is asked to do is to pay the clerical expenses, the traveling expenses of the commissioner, postage, and so on.

Here [exhibiting] is the programme of conferences for the next year We have relations with each of the different States; somebody is appointed by the governor or through the solicitation of the commissioner. There is General Evans, of Georgia; Doctor Drake, of Alabama, and so on.

TREASURY DEPARTMENT.

FURNITURE AND REPAIRS OF FURNITURE, PUBLIC BUILDINGS.

STATEMENT OF MR. W. H. HILLS, CHIEF CLERK.

The CHAIRMAN. On page 10 there is the item "Furniture and repairs of furniture."

Mr. HILLS. I have an estimate of $310,700 for furniture for public buildings. I will state that this is not a deficiency. It is a request for an additional appropriation. The buildings which we want to furnish between now and the 1st of July are all new buildings not heretofore reported to Congress. In other words we have never submitted an estimate for them. They are as follows:

Date of completion.	Location.	Amount.
June, 1905	Atlantic City, N. J., post-office	$5,000
Do	Athens Ga., post-office and court-house	8,500
Dec., 1904	Goldsboro, N. C., post-office	2,700
Apr., 1905	Greenville, Tenn., court-house and post-office	9,000
May, 1905	Iowa City, Iowa, post-office	3,500
Mar., 1905	Kirksville, Mo., post-office	2,500
Apr., 1905	Richmond, Ind., post-office	4,500
May, 1905	Salt Lake City, Utah, court-house and post-office	20,000
June, 1905	Torrington, Conn., post-office	2,500
Do	Traverse City, Mich., post-office	2,500
Apr., 1905	Chicago, Ill., court-house and post-office	250,000
	Total	310,700

The CHAIRMAN. I wish you would tell us about the estimate for the Chicago building.

Mr. HILLS. A portion of the Chicago building is 16 stories high. The main portion contains 8 stories. It is to be occupied by all the United States officials in Chicago who represent nearly every branch of service and it is to be occupied by officials, with the exception of those now in the temporary post-office, who are now in rented quarters where we are paying a rental of about $80,000 a year. We expect to have this building occupied by the 1st of July next. As a matter of fact, we are making an effort to get the courts into the building about the 1st of April for the purpose of saving the rental for next year, $20,000. I will state that I was before the committee on the sundry civil bill, where we had an item for furniture which was explained at that time, and upon the assurance given by the chairman of the committee we have gone ahead and already contracted for furniture and gas fixtures amounting to $80,000. Our estimate for gas fixtures was $50,000, and the contract amounts to $48,000 in round figures.

To indicate in part the magnitude of the building, I will state that there are 5,000 individual fixtures to go into that building—gas and electric-light fixtures. It is one of the largest public buidings in the United States outside of the District of Columbia. It is a larger building than the United States Treasury. It contains 11,900,000 cubic feet. It has 600 office rooms, approximately, and 626,208 square feet of floor space. The basement is to be occupied in part as a working place for the post-office and for the subtreasury. Then we have the boilers and engines, etc., and 30 rooms. On the first floor there are 1,300 employees, who will occupy 23 rooms, to be used by the city post-office and the subtreasury office.

The subtreasury has 60 employees. On the second floor there is the working office for the city post-office. On the third floor there is the post-office executive office, the post-office inspectors, etc. On the fourth floor there is the collector of customs and 79 employees; the collector of internal revenue, with 63 employees; the naval office, with 7 employees; the internal-revenue agent, the inspectors of the War Department, the rural free-delivery service, and the pension agency. The fifth floor is occupied by the various forces. On the sixth floor are the court rooms and the rooms for the court officials, and so on to the upper stories. The eleventh floor is occupied for the accommodation of the railway mail service and a dormitory.

Mr. BURKETT. As a dormitory for sleeping rooms?

Mr. HILLS. Yes, sir. We provide sleeping quarters for the railway mail clerks. Those men come to that city and live elsewhere, and so the Government assigns them a room and furnishes the room with the necessary bed and chairs. They furnish the bedclothing. It is done upon the recommendation of the Postmaster-General, and it is an advantage to the service, because the men are all right there ready for duty when the train goes out. We also assign them a room where they can study the schemes of distribution of mail along the routes, etc. It does not involve any very considerable expense other than the occupancy of the rooms. The furniture is of a very plain character.

Mr. BURKETT. To what extent do you do this and at how many places?

Mr. HILLS. I presume there must be thirty or forty buildings throughout the United States for that purpose. It is a practice which has prevailed for a good many years. Now, for instance, a man may be appointed from St. Paul, Minn., and he may run into Chicago from Memphis. He is away from his home; he can not get home, and he can not very well hire a room at Memphis and also at Chicago.

Mr. BURKETT. Does not the law now require them to live on their routes?

Mr. HILLS. Not in the railway mail service. I think that is in the rural free-delivery service.

Mr. BURKETT. They required it two years ago, and I think about one year ago they changed it.

Mr. HILLS. Admitting that they live on their routes, they might run from St. Louis to Cincinnati or from Cincinnati to Chicago, and it would be a hardship to require them to keep up two places. It is an advantage to the Service. They work up their schemes. We give them the slip cases, etc. I think it is conducive to good morals, and it keeps the men from running about the streets.

The CHAIRMAN. They get in at irregular hours?

Mr. HILLS. Yes, sir; any time from dark until next morning. The twelfth floor is occupied with janitor quarters, the thirteenth floor by the Civil Service Commission, the fourteenth floor by the Weather Bureau, the fifteenth floor with storage rooms, and the sixteenth floor for the same purpose. About ten years ago the court-house and old post-office at Chicago was abandoned, and the officials occupying rooms therein were distributed throughout the city in rented quarters with the exception of the post-office force, who were put into a building erected by the Government on ground loaned to the Government by the city of Chicago for a temporary post-office. All, with the exception of the city post-office people, are in rented quarters, and in this building we will put them all together. That is why the building was erected.

Mr. BURKETT. What kind of furniture will it be?

Mr. HILLS. Quartered oak with the exception of $25,000 for mahogany and walnut to correspond with the inside trimmings of the building. Some of the rooms are necessarily finished with mahogany or marble wainscoting.

Mr. BURKETT. Has there been any appropriation before for furniture at Chicago?

Mr. HILLS. No, sir. We did not bring it up before because there was an uncertainty as to the probable date of the completion of the building, and we did not want to anticipate it, for fear that there might be a large sum of money appropriated and not available for the reason that we could not use it. It will be a good idea to buy the mahogany and walnut furniture. There is not much of it. We propose to furnish the postmaster's suite of rooms, 3; the assistant postmaster's, 1; the pension agency, 1; the collector of customs, 1; the collector of internal revenue, 1; the commanding general, United States Army of that district, 1; the court rooms, sixth and seventh floors, 5 rooms; the United States judges' offices, sixth floor, 2 rooms. The difference in the cost between the oak and mahogany would approximately be only $5,000. As the building is very handsomely finished in these particular rooms I think it would be bad policy not to provide this better grade of furniture.

Mr. BURKETT. We appropriated for one large building at San Francisco. What was the comparative cost?

Mr. HILLS. This building is more than three times the size of any building we have had to furnish. The cost in the San Francisco case, I think, was a hundred thousand dollars. Then there was the Indianapolis building.

The CHAIRMAN. How does this building compare in size with some of our public buildings here?

Mr. HILLS. It is a larger building than the Treasury building, and the Treasury building is one of the largest buildings in the city of Washington.

The CHAIRMAN. It is larger?

Mr. HILLS. Yes, sir; and has more rooms. It is as large as the New York court-house and customs-house buildings combined. I will state that the Department had one man, an inspector of furniture, who is an expert, at this building for seven weeks studying this matter and preparing the necessary plans for furniture, and we also had two electric-light and gas-fixture men there for about thirty days in connection with the preparation of the plans and specifications. So there is no guess work about this estimate. I give you these facts as ascertained by a critical examination.

Mr. BURKETT. And $250,000 will complete the work?

Mr. HILLS. Yes, sir, in addition to the furniture transferred, representing in value somewhere from $80,000 to $100,000.

The CHAIRMAN. You take the furniture which you have?

Mr. HILLS. Everything we can use we take from the other places.

The CHAIRMAN. What do you do with that you can not use?

Mr. HILLS. It has been hauled around two or three times, and in many instances the furniture is twenty-five or thirty years old. It will be sold to the best advantage.

The CHAIRMAN. You condemn and sell that which you can not use?

Mr. HILLS. Yes, sir. This building cost $4,750,000, and an architect's estimate on furnishing it would be 475,000, or ten per cent of its cost. I think our estimate is a very reasonable one.

The CHAIRMAN. Is that all?

Mr. HILLS. There is a small item of $480 for the relief of Thomas Morton, where one of the assistant custodians at San Francisco defaulted. This man is entitled to his money. The $480 represents checks which he gave to this man Jerome, the assistant custodian, who was acting custodian, on a fuel contract and Jerome converted the checks and used the proceeds, and subsequently died.

The CHAIRMAN. Mr. Jerome died?

Mr. HILLS. Yes, sir.

The CHAIRMAN. Was he not under bond?

Mr. HILLS. He was under bond as a special deputy collector, but the solicitor of the Treasury holds that we can not hold his bondsmen.

The CHAIRMAN. He took the money and spent it?

Mr. HILLS. Yes, sir. We have the checks in my office, and also an affidavit from Mr. Morton setting forth the facts. There is no question about his getting away with the money.

Mr. BURKETT. Was he the proper official to have had the checks?

Mr. HILLS. The collector of customs was the custodian and Jerome was acting. He was supposed to act in the place of Mr. Jackson.

Mr. BURKETT. Supposed to act?

Mr. HILLS. He was designated by the Secretary of the Treasury to represent Mr. Jackson in his, Mr. Jackson's, absence.

Mr. BURKETT. Then, it was the act of the Government and not the act of Jackson?

Mr. HILLS. As to whether Mr. Jackson could not have been there and taken charge of the checks I can not answer. Mr. Jackson is dead, and the Solicitor of the Treasury holds that Mr. Jerome's bondsmen are not responsible for the defalcation.

The CHAIRMAN. They are both dead?

Mr. HILLS. Yes, sir.

STATEMENT OF MR. GEORGE SIMMONS, CHIEF OF DIVISION OF PRINTING AND STATIONERY.

STATIONERY.

The CHAIRMAN. "For stationery for the Treasury Department" you ask a deficiency of $8,000?

Mr. SIMMONS. Yes, sir.

The CHAIRMAN. You had $30,000 the current year. You have transferred to the Department of Commerce and Labor a number of bureaus that you used to secure stationery for. Why is it that you require this increase of $8,000?

Mr. SIMMONS. There has been an increase in the volume of business all along the line, especially in the larger offices. I have a statement here showing the expenditures up to the first of this month by offices.

The CHAIRMAN. Read it to us.

Mr. LIVINGTON. Particularize the increases when you come to them.

Mr. SIMMONS. I do not know that I could specifically, but I will quote some offices. Take the Office of Auditor for the Post-Office Department; there has been a great increase in the work of that office. Of course the increase affects the amount of stationery. For the seven months up to the 1st of the month we issued to that office $4,653.29.

The CHAIRMAN. What increase is that over the same period of time during the last fiscal year?

Mr. SIMMONS. I have not the figures for that, but I have a statement here that the increase of business in that office has been about 10 per cent during the year over last year.

The CHAIRMAN. Give us the next increase?

Mr. SIMMONS. Take the Secretary's Office; the amount expended for stationery up to the 1st of February was $4,280.54. There is a corresponding increase there. The heavy items are paper and envelopes. The correspondence has increased vastly all through the service. Take the Treasurer's Office; the expenditures there for the same period were $4,573.15. For the Internal Revenue Office, $4,220.22.

The CHAIRMAN. Is that an increase over the last fiscal year?

Mr. SIMMONS. Yes, sir. They are all increases. The Comptroller of the Currency, $3,493. There has been an increase in that office of over 20 per cent during the year.

Mr. BURKETT. Does each separate office buy its own stationery?

Mr. SIMMONS. No, sir. There is a general appropriation for the whole Department.

Mr. BURKETT. Do you issue the money or the stationery?

Mr. SIMMONS. We buy the stationery and issue it to the different offices.

The CHAIRMAN. You buy all the stationery and issue it to them?

Mr. SIMMONS. Yes, sir. The utmost economy is exercised in looking after that appropriation. I can assure you of that. The material is of the plainest kind that will do the business properly, and the supervision exercised over it is of the most thorough kind.

Mr. LIVINGSTON. How and from whom do you buy your Treasury paper?

Mr. SIMMONS. We buy the correspondence paper from the Valley Paper Company, of Holyoke, Mass.

Mr. LIVINGSTON. They were the lowest bidder?

Mr. SIMMONS. The lowest and best bidder. We require a certain quality of paper. I think they were the lowest bidder on the kind of paper we wanted.

Mr. LIVINGSTON. They were the only bidder on the kind of paper you wanted?

Mr. SIMMONS. No, sir; we had a number of bids. We had, of course, finer paper submitted; but this paper seemed to answer every purpose; a good linen paper.

The CHAIRMAN. The law requires you to advertise for bids for all this material?

Mr. SIMMONS. Yes, sir.

The CHAIRMAN. And you do advertise?

Mr. SIMMONS. Yes, sir.

Mr. LIVINGSTON. You do not always take the lowest bidder?

Mr. SIMMONS. Not always. Of course we have to have material that will do the business properly. Of course the lowest bid does not always represent a suitable article, the material may be too inferior for the use we want to put it to, but as a rule the lowest bidder is the one who gets the contract. That is the rule. Of course the quality of the material has to be considered.

The statement submitted by Mr. Simmons follows:

Statement showing the value of stationery furnished to the bureaus and offices of the Treasury Department for the first seven months of the fiscal year ending June 30, 1905.

Secretary's Office	$4,280.54
Comptroller of the Treasury	171.74
Auditor for the Treasury Department	316.89
Auditor for the War Department	963.90
Auditor for the State and other Departments	227.11
Auditor for the Interior Department	319.08
Auditor for the Navy Department	308.42
Auditor for the Post-Office Department	4,653.29
Register	208.05
Treasurer	4,573.15
Supervising Architect	1,000.78
Mint	189.75
Internal-Revenue Service	4,220.22
Bureau of Engraving and Printing	168.75
Comptroller of the Currency	3,493.92
Life-Saving Service	145.83
Secret-service division	96.87
Marine Hospital	430.80
Total	25,769.09

There is a general and continuous increase in the volume of business transacted in the Treasury Department, which, of course, affects correspondingly the use of sta-

tionery. This increase of business is especially felt in the offices of the Secretary, Comptroller of the Currency, Treasurer, Commissioner of Internal Revenue, and Auditor for the Post-Office Department.

In the office of the Comptroller of the Currency the increase is estimated at more than 20 per cent during the year, 18 per cent in the Treasurer's office, and 10 per cent in the office of the Auditor for the Post-Office Department.

The utmost economy is exercised in the expenditure of this appropriation.

PRINTING AND BINDING.

STATEMENT OF MR. GEORGE SIMMONS, CHIEF OF DIVISION OF PRINTING AND STATIONERY.

The CHAIRMAN. On page 140 of the bill there is the item: "For public printing and binding for the Treasury Department, $25,000." We gave you the estimate last year, $320,000?

Mr. SIMMONS. Yes, sir. We spent about $338,000 last year, and I do not see how we are going to get along with anything less than $25,000 for the remainder of this year. That would make about $7,000 more than we spent last year.

The CHAIRMAN. What has occasioned the increase?

Mr. SIMMONS. There has been a considerable increase in the volume of business. I expect the business in some instances has increased as high as 20 per cent and more. That requires more printing, of course. The expenditure of this appropriation is supervised thoroughly. We have a committee of experts appointed to whom all requisitions are referred to make a thorough examination into any job of any consequence where any amount is involved. We pare the work down as much as possible.

The CHAIRMAN. This committee is composed of employees in the office?

Mr. SIMMONS. Yes, sir.

The CHAIRMAN. Suppose there is a proposition to print something that has not been heretofore printed, who determines whether or not it shall be printed, this committee?

Mr. SIMMONS. In the first place it goes to the chief of the division, and if there is anything unusual or out of the way he refers it to this standing committee, and after the committee has investigated the matter we then take it to the Assistant Secretary, and then after all those parties have considered the matter, if we regard it as anything that should be done, we approve the requisition. If we do not, we turn it down.

Mr. BURKETT. Here is a publication [handing Mr. Simmons publication issued by the Marine-Hospital Service] that came from the Treasury Department. Who determines the binding of these publications?

Mr. SIMMONS. The Department. This is a semiannual publication. There are a great many changes in these officers during the year. The Secretary decides as to the style of binding.

Mr. BURKETT. Of course he does not decide it personally; somebody in the office does that?

Mr. SIMMONS. The people under the Secretary in the stationery division.

Mr. BURKETT. Is not that a pretty extravagant binding for such a publication?

Mr. SIMMONS. I think that a paper cover would have done just as well on that publication.

Mr. BURKETT. It is a document that is not of very much value, a document that is not of use long. It must be pretty expensive to get out editions like that?

Mr. SIMMONS. As I said, I think a paper cover would do just as well on that document.

Mr. BURKETT. What is the purpose of the document?

Mr. SIMMONS. It is for the information of the officers of the Service.

Mr. BURKETT. This information is of course duplicated in the Blue Book?

Mr. SIMMONS. I think so.

Mr. LIVINGSTON. Is that a register of the Treasury?

Mr. SIMMONS. It is a list of the officers in the Marine-Hospital Service.

Mr. BURKETT. I called attention to it because it seems to me that a good many of these publications are pretty extravagantly bound. I received one the other day from your Department that was bound in leather and had my name on it. It was something that was of no more value to me than an almanac.

Mr. SIMMONS. Was not that done by the Joint Committee on Printing?

Mr. BURKETT. It came from the Treasury Department.

Mr. SIMMONS. I do not know of any document except the Secretary's report where we print the name on the cover. A few of those are printed in that way and sent to members of Congress and the heads of the Departments.

Mr. LIVINGSTON. Every Congressman is entitled to one copy of every document that is published, with his name on it if he wants it.

Mr. SIMMONS. There is very little of that done in the Treasury Department. So far as this document is concerned I think, perhaps, a paper cover would answer just as well.

Mr. BURKETT. It seems to me that if the printing was scrutinized and a lot of worthless stuff thrown out your appropiation would last throughout the year without a deficiency.

Mr. LIVINGSTON. The trouble is not only with the binding, but you publish a whole lot of stuff that is of no use to anybody.

Mr. SIMMONS. That is a thing we are fighting all the time. Take the annual reports, I think there is a good deal of matter that might be left out, but they are padded and it is a hard matter to regulate it. We are fighting all the time in that direction.

BUREAU OF ENGRAVING AND PRINTING.

STATEMENT OF MR. WILLIAM M. MEREDITH, DIRECTOR.

The CHAIRMAN. The first item is on page 6 of the bill, "For reimbursement of the Bureau of Engraving and Printing for the services of employes detailed to the office of the Treasurer of the United States, employed in the National Bank Redemption Agency, $6,000?"

Mr. MEREDITH. The Treasurer, Mr. Roberts, asked for that amount.

The CHAIRMAN. So far as your service is concerned the Bureau of Engraving and Printing has enough money to pay for the services of these clerks without this appropriation?

Mr. MEREDITH. Yes, sir.

The CHAIRMAN. Then it is a mere matter of bookkeeping?

Mr. MEREDITH. Yes, sir.

The CHAIRMAN. On page 15, "For labor and expenses of engraving and printing, for salaries of all necessary clerks and employees, other than plate printers and plate printers' assistants," $34,846.16. You had $1,100,000 and you ask for this sum in addition, $34,846.16?

Mr. MEREDITH. Yes, sir.

The CHAIRMAN. How do you arrive at the deficiency?

Mr. MEREDITH. The estimates last year were based upon the amount of work, and you reduce our estimates $23,684 on the compensation. We will need a little more than that to get through.

The CHAIRMAN. How do you arrive at that deficiency; on the amount you have expended up to date?

Mr. MEREDITH. This calculation is based upon what we have expended to date.

The CHAIRMAN. You do not simply ask for that deficiency because we cut your estimate?

Mr. MEREDITH. No, sir. You cut us down last year on the three appropriations $78,165. We ask $73,000 on two items alone. On the item of material, etc., we do not ask anything, but on compensation of employees and plate printing we ask altogether $73,047.82. We think that amount will be necessary in order to get through the year.

The CHAIRMAN. Will you kindly send us the amount of money expended up to February 1, out of these different funds?

Mr. MEREDITH. Yes, sir.

The CHAIRMAN. Your expenses from now on will be about what they have been in the past per month?

Mr. MEREDITH. Very nearly; they run pretty evenly.

The CHAIRMAN. Do you do a great deal of work of printing and binding that goes to stock to season before they begin to use it or do you just keep current with your work?

Mr. MEREDITH. No; we print ahead on the bank notes and let them season. We have a great many of those on hand. They have to season in order to print the other side. There is a good deal of that work.

The CHAIRMAN. In the paragraph "For wages of plate printers" I notice that you insert the words "at one dollar and fifty cents per day each," relating to printers' assistants. You fix that yourself?

Mr. MEREDITH. Yes, sir.

The CHAIRMAN. It is not fixed by law?

Mr. MEREDITH. It is fixed by the Secretary of the Treasury.

The CHAIRMAN. And there is no reason why we should change it and undertake to fix it by law? Please give us the same information in regard to that item.

The statement submitted by Mr. Meredith follows:

TREASURY DEPARTMENT,
BUREAU OF ENGRAVING AND PRINTING,
February 17, 1905.

The Hon. JAMES A. HEMENWAY,
Chairman of Committee on Appropriations, House of Representatives.

SIR: In compliance with your verbal request this morning I have the honor to inclose herewith a copy of the data on which was based the deficiency estimate for engraving and printing, 1905.

Respectfully, WM. M. MEREDITH, *Director.*

JANUARY 12, 1905.

Deficiency estimate, appropriation engraving and printing, 1905.

COMPENSATION OF EMPLOYEES.

In the first six months of the fiscal year, to December 31, the excess of expenditure over the appropriation for year was $9,010.80.

Owing to the large number of plates required to meet the heavy demand for national currency, the expenditure has been correspondingly increased. For the months of November and December the expenditures were, on an average, $4,206.14 per month more than for the first four months, and the indications are that this increase of $4,206.14 in the months of November and December will be continued throughout the remaining six months of the fiscal year.

Therefore—

Actual excess of expenditure from July 1 to December 31		$9,010.80
Add excess of expenditure as above for final six months	$9,010.80	
Less excess for November and December	8,412.28	
		598.52
Increase of expenditure for final six months to June 30, at $4,206.14 per month		25,236.84
Total		34,846.16

PLATE PRINTING.

In the first six months of the fiscal year, to December 31, the excess of expenditure over the appropriation for year was $16,504.45.

In the months of November and December the expenditure was abnormally low, being below the average of the first four months, due to absence without pay of a large number of printers and assistants who had previously exhausted their annual leave. For the first four months the expenditures were, on an average, $2,596.38 per month more than for the months of November and December, and the indications are that this increase of $2,596.38 in the first four months will be continued throughout the remaining six months of the fiscal year.

Therefore—

Actual excess of expenditures from July 1 to December 31		$16,504.45
Add excess of expenditures as above for final six months	$16,504.45	
Less excess for July, August, September, and October	10,385.52	
		6,118.93
Increase of expenditures for final six months to June 30, at $2,596.38 per month		15,578.28
Total		38,201.66

MATERIALS AND MISCELLANEOUS EXPENSES.

There is a saving in this item for the first six months of $39,428.81, which will be absorbed in the final six months by the regular contemplated expenditures in that period for necessary new machinery and replenishing stock. No deficiency and probably a small unexpended balance will exist at the close of the year.

SUMMARY OF DEFICIT FOR THE YEAR.

Compensation of employees	$34,846.16
Plate printing	38,201.66
Aggregate deficiency	73,047.82

The cut down by Congress from the original estimates for the appropriation for the year was $78,165.

Approved: WM. M. MEREDITH, *Director.*

In explanation of the deficiency for which an estimate has been submitted for the work of engraving and printing, I would say that it is caused by the continued demand for United States notes, silver certificates, internal-revenue stamps, and other securities of the Government, and by the fact that Congress cut down the appropriation

below the estimates for this work at the last session. Our estimates are based on the amount of work to be executed for the several bureaus and departments of the Government, and any reduction in them must necessarily be met by a deficiency appropriation.

We are now delivering 136,000 sheets of United States notes and silver certificates to the Treasurer of the United States, about 21,000 sheets of national bank notes to the Comptroller of the Currency, and over 200,000 sheets of internal-revenue stamps a day.

The item for national-bank notes is largely increased on account of the extension of the charters of a number of national banks, which were organized originally in 1865, and whose charters were extended for twenty years in 1885, and which are again being extended at the close of the twenty-year term. This also involves the making of a large number of new plates for these banks. We have orders now for nearly 400 plates, and it is expected that we will engrave approximately 2,500 plates during this year. This has thrown such a burden on the engraving division of the Bureau that we are compelled to work the force two hours additional each day, which involves, of course, an increased expense. It will, of course, be impossible to continue the operations of the Bureau and the execution of this work without the additional appropriation requested.

Estimate submitted, amount appropriated, and amount cut down by Congress for the fiscal year 1905.

	Estimate submitted.	Amount appropriated.	Cut down.
Compensation	$1,123,684	$1,100,000	$23,684
Plate printing	1,250,043	1,200,000	50,043
Materials, etc	529,438	525,000	4,438
Total	2,903,165	2,825,000	78,165

It has been found necessary to vary the amounts to be appropriated for each item, making them a little different from the amounts by Congress. The estimated deficiencies are as follows:

Compensation of employees	$34,846.16
Plate printing	38,201.66
Total	73,047.82

There is no estimate for a deficiency for material and miscellaneous expenses, as the amount cut by Congress was inconsiderable and the amount appropriated is sufficient.

VAULTS, SAFES, AND LOCKS FOR PUBLIC BUILDINGS.

STATEMENT OF MR. JAMES K. TAYLOR, SUPERVISING ARCHITECT.

The CHAIRMAN. On page 10 of the bill you ask for a deficiency of $20,000 for vaults, safes, and locks for public buildings?

Mr. TAYLOR. Yes, sir.

The CHAIRMAN. And you had $40,000?

Mr. TAYLOR. Yes, sir.

The CHAIRMAN. Please explain the necessity?

Mr. TAYLOR. The Post-Office Department has made a ruling in the last year, and it has been sustained, that all old safes in rented buildings—safes that we have previously had in rented buildings—belong to the Post-Office Department and could not be transferred to buildings completed, which we have been in the habit of doing. We have just transferred the safe to the building owned by the Government and used it right along. The Post-Office Department desired to use those safes and ruled that they belonged to the Post-Office Department and

not to the Treasury Department, and consequently they are going to take those safes and put them in other rented buildings, which necessitates our supplying an extra number of safes.

The CHAIRMAN. They take them and put them in other rented buildings?

Mr. TAYLOR. That is, when they go out of a rented building.

The CHAIRMAN. And heretofore you have used them in buildings constructed by the Government?

Mr. TAYLOR. Yes, sir.

The CHAIRMAN. And now they want to retain possession of them?

Mr. TAYLOR. Yes, sir; and transfer them to other rented buildings. The Treasury Department controls all the buildings completed and the safes in them and consequently they say we ought to buy them ourselves.

Mr. BURKETT. If they turned the safes over to you would we have to buy safes for them?

Mr. TAYLOR. Yes, sir; I suppose so. The only additional point in favor is the large number of new buildings that are being finished. We are finishing on an average four or five buildings a month and we have to supply those buildings with safes, and if there does not happen to be any safes in the rented buildings we have to buy them.

APPRAISERS' MEETINGS.

STATEMENT OF MR JAMES L. GERRY, CHIEF OF DIVISION OF CUSTOMS.

The CHAIRMAN. For "expenses of local appraisers' meetings" you had $1,200, and this year you seem to ask for $700 more. What is the necessity of that?

Mr. GERRY. Because there is not enough money to allow all of the appraisers to go to New York where this meeting is usually held. For instance, in the present year there were twelve or thirteen appraisers and the rest of them had to stay at home. There is quite a number of appraisers. In a good many places the collector of customs acts as the appraiser. The purpose of the meeting is to let these men get together in order that they may be benefited by talking and seeing the merchandise that comes in with a view to uniformity of values and classification, and the more men we can get there the more of a school of education it will be to the men all through the country.

The CHAIRMAN. You have been getting them there heretofore for $1,200?

Mr. GERRY. No; it has always been restricted to a certain number, and in order to get around that we have allowed a certain ten men to go this year and a certain other ten men to go the next year, and so on. The result has been that the ten men we sent last year or the year before last are to a certain extent so many years behind in the matter of getting this information.

The CHAIRMAN. How long does the meeting last?

Mr. GERRY. About two weeks.

The CHAIRMAN. Does this amount pay their expenses while there?

Mr. GERRY. Yes, sir.

The CHAIRMAN. Then you could have the meeting last one week and have them all there for one week?

Mr. GERRY. Of course you could cut the period down and say, "Here is certain merchandise. We will consider half of this stuff and its value," or, "We will take up the business before us and dispose of half of it and let the rest go."

The CHAIRMAN. You could take up the most important part and go over it. Have you had your meeting this fiscal year?

Mr. GERRY. Yes, sir.

The CHAIRMAN. How much did you expend?

Mr. GERRY. One thousand three hundred and thirty-six dollars.

The CHAIRMAN. Where did you get the other $136?

Mr. GERRY. We have not got it, and we are asking for a deficiency?

The CHAIRMAN. What would you do with $700 deficiency?

Mr. GERRY. We have not asked for a deficiency of $700.

The CHAIRMAN. One hundred and thirty-six dollars is what you have expended more than the appropriation.

Mr. BURKETT. When Congress appropriates $1,200 for this purpose, what right have you to exceed that appropriation?

Mr. GERRY. We have not any right. Suppose you send twelve men to this meeting. They do not know what the expenses will be, and then at the end of two weeks they come back and they have exceeded the limit.

REVENUE-CUTTER SERVICE.

STATEMENT OF MR. H. S. MERRILL, ASSISTANT CHIEF.

Mr. MERRILL. Captain Shoemaker wished me to come before the committee this morning, as he is confined to his home on account of sickness.

REPAIRS.

The CHAIRMAN. On page 18 of the bill there is the item "for amount necessary to meet expenses of extraordinary repairs to *Bear*, *Woodbury*, and *Manning*," and you ask for a deficiency of $116,531.98?

Mr. MERRILL. Yes, sir.

The CHAIRMAN. You estimated for $1,450,000 this year?

Mr. MERRILL. Yes, sir.

The CHAIRMAN. And we gave it to you?

Mr. MERRILL. Yes, sir.

The CHAIRMAN. Why the deficiency?

Mr. MERRILL. That is fully set forth in the letter of Captain Shoemaker which accompanied the estimate. It is because of the extraordinary repairs on the *Bear*, the *Woodbury*, and the *Manning*. Those three vessels were in collision during the year and those repairs will amount to $31,288.97. Next, the increase in pay of crews. We were obliged to increase the pay of some of the petty officers and crews in order to retain them in the service. That is on the western coast. The wages they were receiving were much less than those paid on the Atlantic coast.

The CHAIRMAN. How much does that amount to?

Mr. MERRILL. $32,394.88.

Mr. LIVINGSTON. How many officers participated in that increase?

Mr. MERRILL. That increase is for petty officers and crews.

The CHAIRMAN. What portion of it went to the officers?

Mr. MERRILL. None of it went to the officers. These are the petty officers. There is no increase whatever in the pay of the officers.

The CHAIRMAN. Tell us what the wages of the crews were and what they were increased to?

Mr. MERRILL. The different ratings of the crews?

The CHAIRMAN. For seamen, for instance.

Mr. MERRILL. The boatswains, carpenters, and chief oilers were the principal men. Those are the chief petty officers.

The CHAIRMAN. What pay were they receiving.

Mr. MERRILL. I think they were receiving $50 a month.

The CHAIRMAN. What was their pay increased to?

Mr. MERRILL. Seventy dollars a month.

The CHAIRMAN Had any of them left the vessels?

Mr. MERRILL. No, sir. Captain Shoemaker made a tour of inspection on the western coast. He was directed by the Secretary to look into those matters and it was on his report that those increases were made. He said that the men were conplaining and that it was necessary to increase their pay in order to retain them in the service.

The CHAIRMAN. What other items were increased as a result of the captain's visit?

Mr. MERRILL. There were some repairs to certain vessels which come in the ordinary expenses.

The CHAIRMAN. How much money have you on hand of this fund?

Mr. MERRILL. Our figures for the first six months taken from the accounts show on the basis of the first sixth months' actual expenditures that we had $88,000.

The CHAIRMAN. Will you try to so apportion that fund as to pay the expenses for the balance of this fiscal year, and recommend to Congress these new items and increase of pay next time? This committee questions your right and the right of your office to increase salaries and do work not authorized by this appropriation, and we prefer to determine those questions ourselves. I think you had better so approtion that money as to make it last during this fiscal year, and then if you desire to increase salaries make a recommendation to Congress.

Mr. MERRILL. This is not for salaries, it is the pay of crews. Under the regulations the Secretary of the Treasury is authorized to increase the pay of the crews of the vessels.

The CHAIRMAN. He is, if Congress appropriates the money, but if Congress does not appropriate the money, I do not see very well how he can increase the pay.

Mr. MERRILL. What do I understand about the $31,288.97 we ask for as to extraordinary repairs to the three vessels?

The CHAIRMAN. They were in collision; how did that happen?

Mr. MERRILL. One ran on the rocks near San Francisco, another collided with a vessel just north of San Francisco, and another collided near Portland. In each case it was the fault of our officers.

The CHAIRMAN. Is there not occasion for a new set of officers?

Mr. MERRILL. We have been unfortunate in the past few years, but it is one of those unforeseen things. The officers have been punished.

The CHAIRMAN. As to the increase in the rations of crews, how have you been paying that in the past; have you been giving the crew so much money for the rations?

Mr. MERRILL. We enter into a contract to furnish rations for the crews. Last year we took into consideration the item of fresh meat.

That improved the ration of the crews. We got bids from all the different ports where our ships were, and after they appeared to be reasonable we accepted the lowest bid and entered into a contract. The item of fresh meat, which we added, cost on an average 10 cents more a ration that formerly, but it was thought by the chief of division that their ration should be improved. It was too plain.

The CHAIRMAN. And that one item amounts to $15,999.25?

Mr. MERRILL. And also the increase in the cost of supplies. There is an increase also without the 10 cents, a slight increase.

The CHAIRMAN. As to the fuel?

Mr. MERRILL. We have now a larger class of vessels, and they consume more fuel. We have built a style of ship which consumes more fuel, a larger and better vessel. That is an item which should be taken into consideration.

The CHAIRMAN. How much is that?

Mr. MERRILL. Nine thousand dollars. Then there is the item of $30,000 for repairs to the *Thetis*. That vessel was turned over to us from the Navy.

The CHAIRMAN. That will come up in the regular bill.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, February 17, 1905.

SIR: I have the honor to transmit herewith, for the information of the House Committee on Appropriations, a communication from the acting chief of the division of Revenue-Cutter Service, of this date, in explanation of the estimate of $32,394.88 embraced in the item of deficiency in the appropriation for expenses of Revenue-Cutter Service for the fiscal year 1905 (pp. 7 and 8 of the deficiency estimates printed as H. Doc. No. 287, present session), and referred to in the explanatory note following the estimate and marked (*b*) "To increase of pay to crews, etc."

Respectfully,

L. M. SHAW, *Secretary.*

Hon. J. A. HEMENWAY,
Chairman Committee on Appropriations, House of Representatives.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, February 17, 1905.

The SECRETARY OF THE TREASURY.

SIR: Referring to item B in the letter of the Chief of Division, Revenue-Cutter Service, dated the 16th ultimo, transmitting an estimate for funds necessary to reimburse the appropriation for the Revenue-Cutter Service for the fiscal year ending June 30, 1905, wherein the request is made for an appropriation of $32,394.88 by "reason of increase of pay to crews on account of increase of wages of seamen," I have to state that this item also includes the "increase of number in the crews of revenue vessels," necessitated by the placing in commission of two new vessels of the Service, viz:

The *Mohawk*, a vessel of the first class, with crew numbering 60, at a monthly pay roll averaging $1,771.30; the *Mackinac*, a tug, with a crew numbering 13, at a monthly pay roll averaging $563.90; making an annual expenditure on account of these two vessels of $28,022.40.

The balance of the item is on account of "increase in pay of wages of seamen."

The actual annual expenditure on account of pay rolls of crews of revenue vessels, including cadets, surgeons, pilots, and commuted rations for the fiscal year ended June 30, 1904, amounted to $482,256.66. On the basis of five months of the current fiscal year, this item will amount at the end of the year to the sum of $514,651.54, the difference being the amount covered by item B.

I have respectfully to request that the attention of the House Committee on Appropriations be called to this matter, in explanation of item B, in the letter above referred to.

Respectfully,

H. S. MERRILL,
Acting Chief of Division.

INDEPENDENT TREASURY.

CONTINGENT EXPENSES.

STATEMENT OF MR. E. B. DASKAM, CHIEF OF DIVISION OF PUBLIC MONEYS.

The CHAIRMAN. I notice that you ask for $10,000 deficiency in the independent treasury. What is the cause of the deficiency?

Mr. DASKAM. We have a balance of $113,000, which is $7,000 less than half. We figured that we would have $14,000 deficiency before the close of the year. We ask for $10,000, hoping to get through with it, but I do not know that we will. The year before we spent $260,000.

The CHAIRMAN. You only had $240,000?

Mr. DASKAM. And the amount found due by accounting officers. It is an appropriation that we can not provide against a deficiency in.

The CHAIRMAN. This is an appropriation where you can not regulate the expenditure?

Mr. DASKAM. No, sir.

TRANSPORTATION OF SILVER COIN.

The CHAIRMAN. For "Transportation of silver coin" you ask a deficiency of $10,000?

Mr. DASKAM. Yes, sir; that is in the same condition, only that half of the appropriation would be $60,000. We only have a balance of $36,000, and we ask for $10,000.

The CHAIRMAN. We either have to repeal the law or else give you this money?

Mr. DASKAM. Yes, sir.

The CHAIRMAN. How much have you on hand of that item?

Mr. DASKAM. Thirty-six thousand dollars, and we should have $60,000.

The CHAIRMAN. Thirty-six thousand dollars at the end of the first half of the year?

Mr. DASKAM. Yes, sir; and it runs about $125,000 a year.

TRANSPORTATION OF MINOR COINS.

The CHAIRMAN. And what have you on hand as to the transportation of minor coins?

Mr. DASKAM. At the end of six months we have $7,000, and we should have $9,000.

RECOINAGE OF GOLD COIN.

The CHAIRMAN. The next item is "Recoinage of gold coin?"

Mr. DASKAM. We have a deficiency of $4,274, and we would like enough to make it $10,000.

The CHAIRMAN. That is due to the amount of gold coined at Philadelphia last year?

Mr. DASKAM. In all the subtreasuries.

The CHAIRMAN. How much gold did you coin last year?

Mr. DASKAM. You mean light weight?

The CHAIRMAN. Yes, sir.

Mr. DASKAM. $11,347.04. Of course we get back 4 cents a grain on all that is light.

[AIRMAN. You have a deficiency at the present time of $4,274?
[SKAM. Yes, sir.
[AIRMAN. And you think it will take $10,000 to complete the

Mr. DASKAM. Yes, sir.

The CHAIRMAN. How is this regulated, supplying the deficiency in the gold coin?

Mr. DASKAM. It is in the subtreasurer's office and held there the same as any other coin, and that part known to be light weight stays there until it is recoined, and when it is recoined the subtreasurer is charged with this amount and this appropriation is to reimburse him.

The CHAIRMAN. You take the gold coin that is light and have to recoin it at the old weight, and it takes this money to make good the deficiency?

Mr. DASKAM. Yes, sir.

The CHAIRMAN. And there was so much more recoined that you have already spent $4,274 deficiency?

Mr. DASKAM. Yes, sir.

The CHAIRMAN. It is not possible to regulate this matter one way or the other. You simply have to pay the amount necessary to make good the weight?

Mr. DASKAM. Yes, sir; and we get back a good part at 4 cents a grain. It is a legal tender until it gets below a certain notch, and after it gets below that notch it is a legal tender for the gold it contains.

The CHAIRMAN. What is that notch?

Mr. DASKAM. I do not remember.

The CHAIRMAN. That is the law, and when it gets below the weight fixed by law the owner has to stand the loss?

Mr. DASKAM. Yes, sir; and it is sometimes 10 or 15 cents; not often as much as that.

Mr. BURKETT. Which is cheaper to circulate, gold or paper?

Mr. DASKAM. Paper. Gold is too soft for circulation to do regular business with.

Mr. BURKETT. Then the less you can circulate gold and the more paper the better you are?

Mr. DASKAM. Yes, sir; everywhere except on the Pacific coast they prefer the paper.

SUPPRESSING COUNTERFEITING AND OTHER CRIMES.

STATEMENT OF MR. JOHN E. WILKIE, CHIEF SECRET SERVICE DIVISION.

The CHAIRMAN. For "Suppressing counterfeiting and other crimes" you ask $7,000 deficiency. What is the occasion for that?

Mr. WILKIE. The World's Fair at St. Louis, extraordinary activity at three or four eastern points and central western points—that is, Cleveland, Pittsburg, Philadelphia, and New York—among the counterfeiting fraternity. The coming inaugural will necessitate bringing on a number of men to Washington temporarily. All these things have combined to make extraordinary drafts on our appropriation, and we figure that with the gratuities that are offered and payable from the appropriation the deficiency will be necessary. There is no fixed amount set apart for the payment of gratuities to meritorious persons

who may furnish information to the Government that leads to the arrest and conviction of counterfeiters.

The CHAIRMAN. You pay that out of this appropriation?

Mr. WILKIE. It has to be paid out of this fund. We are modest in those payments—we do not attempt to pay individuals what they are really entitled to. There is quite a number, and in the aggregate it amounts to considerable.

The CHAIRMAN. How much does it amount to?

Mr. WILKIE. It differs each year. We try to figure on the basis of $20 for each person where there is a claim, but sometimes cases are more important and we have to pay rewards as high as $50. We have no fund, as the Post-Office Department has, for that purpose. There is quite a number. We hold those back because they are only gratuities and they rest on the pleasure of the Secretary of the Treasury. While we do not like to turn the people down, we hold them up until the last thing, and if there is anything left from the appropriation we divide it and do the best we can. Sometimes it amounts to $15 and sometimes as high as $20 or $25.

The CHAIRMAN. You say there has been unusual activity in counterfeiting.

Mr. WILKIE. Yes, sir; within the past four months there seems to have been an epidemic of counterfeiting in foreign notes. There were three or four gangs counterfeiting the Austro-Hungarian notes. They were at Cleveland, Pittsburg, and New York. There were 15 people engaged in the work. We had a complaint from the Austro-Hungarian Government. We took it up and made arrests in Cleveland, Pittsburg, and New York, but it took some time to get the evidence, and we had to send men from one headquarters to another and were compelled to pay their traveling expenses and subsistence while there. That ran up our expenses considerably.

Mr. UNDERWOOD. Did they make the notes here and ship them abroad?

Mr. WILKIE. Yes, sir. They handled them through the money exchange brokers in Cleveland, New York, Pittsburg, McKeesport, and McConnellsville, but the first complaint came from the Austro-Hungarian Government.

FEBRUARY 15, 1905.

CUSTOMS REVENUES.

STATEMENT OF HON. CHARLES H. KEEP, ASSISTANT SECRETARY OF THE TREASURY.

The CHAIRMAN. Mr. Secretary, you have a permanent semiannual appropriation of $2,750,000 or an annual appropriation of $5,500,000, and then we gave you a deficiency of $2,500,000, making altogether for this fiscal year $8,000,000 appropriated. How much of the fines and forfeitures have you for this fiscal year up to date?

Secretary KEEP. For seven months of this year we have $437,243 fines and forfeitures.

The CHAIRMAN. What balance of that money have you on hand at this time?

Secretary KEEP. There is no balance on hand. We had yesterday a telegram from the collector of customs at New York asking us to send him $301,000 to meet the pay rolls in the New York Custom-House for this month. We were unable to send it to him because the appropriation was exhausted and the deficiency bill had not yet been passed. Finally, by the best figuring, we were able to send him $150,000 to meet the pay rolls which he has to meet to-day.

The CHAIRMAN. You have $4,500,000 of this fiscal year remaining. You have expended $8,437,000?

Secretary KEEP. No; we have not expended that amount. We have expended $5,500,000 and $437,000. The deficiency available for the latter part of this year has not yet been appropriated. We spent the permanent appropriation and the fines and forfeitures and we are waiting for the supplemental appropriation which will be contained in the deficiency bill.

The CHAIRMAN. How much money had you expended up to this time for the last fiscal year?

Secretary KEEP. I have the figures here which run up to February 1, seven months. Last year we expended up to February 1, $5,132,855 plus $477,307. The last figures were the fines and forfeitures, which were greater last year than this year.

The CHAIRMAN. What was the total?

Secretary KEEP. Five million six hundred and ten thousand one hundred and fifty-two dollars.

The CHAIRMAN. What occasioned the increase of $325,000 for this year?

Secretary KEEP. I am unable to answer that question. There is a natural growth of the service which does not show any increased revenues. The importations this year are materially greater than last year without our collecting any material increased revenues. The amount of business going through the custom-house has increased. The percentage of free goods is steadily increasing and the percentage of dutiable goods is steadily decreasing.

The CHAIRMAN. What amount of customs reveuues have you collected up to February 1 of this fiscal year?

Secretary KEEP. One hundred and forty-five million dollars up to February 14, as compared with a similar amount last year. The difference is only $300,000.

The CHAIRMAN. While we have collected just the same amount of customs duties it has cost us $325,000 more to do it.

Secretary KEEP. Yes, sir. In the first place, the compensations paid in the customs service are not fixed by law. They are payable out of these gross appropriations and can be changed by the Department. They have not been equitably adjusted in all cases, and there is constant pressure on the Department for a more equitable adjustment of these compensations, for increases in compensations equal to the compensations earned by people in the outside world, in other services than the Government, by the increased cost of living, etc. All those things tend to constantly increase the expenditures of the customs service.

The CHAIRMAN. Does this $325,000 additional expense mean increases of salaries or additional people employed in the service?

Secretary KEEP. It means both, and also increased expenditures for the prevention of frauds. We have spent $30,000 this year for the

prevention of frauds on the revenues as distinguished from simply collecting the revenues.

The CHAIRMAN. What portion of this increase is brought about by increases of salaries?

Secretary KEEP. I am unable to answer that question. I will say that I have not been the Assistant Secretary in charge of customs; Mr. Armstrong has had charge of that work, and I am only temporarily in charge during his absence.

The CHAIRMAN. Could you send us a telegram to-day advising us as to the amount occasioned by increases of salaries and that occasioned by the increase of employment?

Secretary KEEP. I doubt very much if a statement could be prepared to be sent to the committee to-day. It would be a laborious piece of work.

The CHAIRMAN. You could easily ascertain the number of new people employed in the service during the last fiscal year up to February 1 and what their compensation was, and you could easily ascertain the number of salaries increased?

Secretary KEEP. It is easy, but it could not be ascertained in a moment. It is a laborious compilation.

The CHAIRMAN. Then, take your time.

Secretary KEEP. Very well, we will start it at once and do it as quickly as possible.

The CHAIRMAN. Give us a detailed statement of where this increase occurs, how much increase of salaries, how much additional employment, and how much additional expenditures for the prevention of frauds.

Now, as I understand, you have expended every dollar that is available from fines and forfeitures to make your payments up to what date?

Secretary KEEP. Up to yesterday. The fact is that we do not ascertain the fines and forfeitures for some forty or fifty days before they go on our books, and yesterday, in order to send this money for the semimonthly pay roll at New York, we estimated the fines and forfeitures for January and February, although we have not actually got them on our books.

The CHAIRMAN. Under the law can there be additional payments made without authorization of Congress or without additional appropriation?

Secretary KEEP. Under the law, as I understand it, there can be no further payments made.

The CHAIRMAN. How much of a deficiency will be required to meet the expenditures up to July 1 next?

Secretary KEEP. Three million dollars. The detailed figures, based upon seven months' actual experience, show an estimated deficiency for 1905 of $3,041,816.

The CHAIRMAN. So in round figures the expense of collecting the customs duties for this fiscal year will be $500,000 more than it was the last fiscal year?

Secretary KEEP. It will be about $8,500,000 plus the fines and forfeitures.

The CHAIRMAN. Am I right, that in round figures the expense of collecting the customs duties for this fiscal year will be $500,000 more than last year, and the fines and forfeitures will be about the same?

Secretary KEEP. The expense to the Government will be approximately $500,000 more, and will be made up of an estimated increase in

the expense of collecting the customs duties, $417,600; an estimated increase of $30,000 for the prevention of fraud, and an estimated decrease of $68,688 in the receipts from fines and forfeitures. They are steadily decreasing, and are very much less than they used to be by reason of changes in the law.

I would like to call your attention to the fact that the continuing appropriation for the customs service of $2,750,000 is semiannual. We expended that appropriation for the first six months, the semiannual appropriation of $2,750,000, plus the fines and forfeitures during that period, long before the six months expired.

The CHAIRMAN. In other words, the permanent appropriation does not take care of your expenses?

Secretary KEEP. The appropriation does not take care of the expenses, and the semiannual appropriation does not take care of the expenses during the first six months, and the deficiency is never appropriated until during the last six months.

The CHAIRMAN. How are the appointments in the customs service made; under the civil-service rules?

Secretary KEEP. Entirely.

The CHAIRMAN. Are there any appointees in connection with the customs service who are not covered by the civil-service rules?

Secretary KEEP. There may possibly be a few in connection with what you might call the detective service, but I am not positive about the number. All the others come under the civil-service rules.

Mr. TRACEWELL. I think there are 16 or 17 special agents.

Secretary KEEP. Who are doing detective work, and who are not appointed under the civil-service rules any more than the secret-service men.

The CHAIRMAN. Who fixes the salaries out of the lump sum?

Secretary KEEP. The Secretary of the Treasury where they are not fixed by law.

The CHAIRMAN. What is your notion about repealing this permanent semiannual appropriation and appropriating directly for this service, and giving the President the power that he has in connection with the Internal-Revenue Bureau?

Secretary KEEP. Both of those changes would be decidedly in the interest of economy and efficiency in the customs service. Both have been strongly recommended by the Secretary of the Treasury.

The CHAIRMAN. Will you have the Secretary of the Treasury write us a letter——

Secretary KEEP. His annual report this year contains a very strong recommendation on the subject of redistricting the country.

The CHAIRMAN. Will you have the Secretary of the Treasury write us a letter calling our attention to that portion of his report and making any additional recommendation he desires to make on the subject?

Secretary KEEP. I would like to call your attention to the legislation which was recommended by Mr. Gage, when he was Secretary of the Treasury, on this subject in a letter sent to the Speaker of the House of Representatives, dated January 6, 1902, in which, after reciting the facts, he makes this recommendation, that section 3687 of the Revised Statutes be amended to take effect July 1, 1902, so as to read as follows:

SEC. 3687. That there is annually appropriated, out of any money in the Treasury not otherwise appropriated, beginning with the fiscal year 1903, the

sum of eight million dollars, for the purpose of defraying the expenses of collecting the revenue from customs; and the yearly receipts from fines, penalties, and forfeitures connected with the customs, and from fees paid into the Treasury by customs officers, and from storage, cartage, drayage, labor, and services, now applied to the expenses of collecting the revenue from customs, shall, from and after June 30, 1902, be covered into the general fund of the Treasury.

The CHAIRMAN. Let the Secretary of the Treasury, if he does not cover it in his report, make a recommendation as to whether or not it would not be better to appropriate annually for this service.

Secretary KEEP. It is immaterial to the Department whether an annual appropriation is made or a permanent appropriation.

The CHAIRMAN. If the Secretary cares to make any recommendation upon that point, have him include it in the letter and send the letter down to us as soon as possible.

As I understand, you do not pay again for at least two weeks?

Secretary KEEP. We have expenses every day in the customs service, and we are simply in a position where we can not pay them.

The CHAIRMAN. At the suggestion of the clerk of the committee you had better leave out any question of redistricting.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, February 18, 1905.

MY DEAR SIR: I inclose you herewith two statements relating to the increased expense of collecting the customs revenue during the current fiscal year over the expenditure in 1904.

Statement No. 1 shows an aggregate increase for the first six months of the present fiscal year amounting to $270,000 and shows how this increase is distributed through the various items of expense.

Statement No. 2 shows that the total estimated increase for this year over last year, through increase in force and increase in compensation of employees, will amount to $300,000. Of this increase $120,000 is directly connected with the world's fair, $75,000 is due to increase in force, and only $23,529 is due to increase in salaries, including the increased salaries expressly provided for by statute.

There was an increase this year of $50,000 in the appropriation for the detection and prevention of frauds upon the customs revenues, and the number of special employees has been accordingly increased. I am intending to increase the force yet more by the employment of from five to ten expert examiners, whom I can move from one port to another, placing them in charge of various divisions for a period long enough to make sure that there is no collusion between examiners and importers. If this policy had been pursued in the past, the frauds in connection with Japanese silk at New York and embroideries at Boston, costing the Government in the aggregate in excess of a million dollars, and resulting in several convictions and no end of expense in getting witnesses from Japan in one instance and Europe in the other, and in sending experts abroad, would probably have been saved.

Very truly, yours, L. M. SHAW.

Hon. J. A. HEMENWAY,
House of Representatives.

No. 1.—*Estimates for expenses collecting the revenue from customs.*

	July.	August.	September.	October.	November.	December.	Total.
1903.							
Compensation	$615,597	$658,473	$637,221	$661,213	$639,892	$656,738	$3,869,134
Rents	3,444	2,769	14,998	7,326	2,804	14,629	45,965
Contingent expenses	56,557	28,633	36,587	38,556	45,695	36,650	242,678
Salaries of special agents	6,039	6,121	5,424	5,828	5,552	5,628	34,592
Salaries of special inspectors	2,969	2,969	2,898	3,199	2,902	2,891	17,828
Salaries of special employees	6,682	5,988	6,845	6,809	6,664	7,644	40,582
Traveling expenses of above	3,542	3,888	4,802	4,102	3,765	5,605	25,704
Salaries, general appraisers and employees	10,248	10,377	10,110	10,901	10,596	11,223	63,455
Expenses general appraisers and employees	295	193	305	584	584	358	2,319
Salary, counsel, board general appraisers							
Miscellaneous expenditures	166	789	1,643	13,868	6,289	1,689	24,441
							4,966,698
1904.							
Compensation	696,066	625,595	694,115	699,948	692,032	697,089	[a]4,174,845
Rents	5,977	3,385	14,557	8,754	3,188	15,826	51,682
Contingent expenses	60,080	27,137	46,896	42,280	39,833	47,878	264,054
Salaries of special agents	5,022	5,022	4,630	5,022	4,946	5,022	29,664
Salaries of special inspectors	2,790	2,863	2,600	2,674	2,600	2,406	15,933
Salaries of special employees	8,584	8,435	7,112	8,469	8,747	9,576	50,923
Traveling expenses of above	4,490	4,246	5,371	4,339	7,344	5,214	31,004
Salaries general appraisers and employees							
Expenses general appraisers and employees							
Salary, counsel, board general appraisers	291	292	291	184	58	292	1,408
Miscellaneous expenditures	487	376	2,067	5,902	5,306	4,165	17,303
Total							4,636,806
							4,966,698
Increase							270,108

[a] This includes salaries and expenses, board of appraisers, 6 months, $63,455.

Statement showing approximately the increase in expenses of collecting the revenue from customs since July 1, 1904, through increase in force and compensation of customs employees to and including January 31, 1905.

Increase in force	$33,071	
Decrease in force	8,864	
Net increase in force	$24,207	
Increase in salaries	8,778	
Total increase		$32,985
The above does not include the increased force at St. Louis, made necessary in connection with the World's Fair, which was put on prior to July 1, 1904. The increase in compensation paid this force for the first six months of the present fiscal year over that paid during the preceding fiscal year is approximately, as shown by the surveyor's estimates		58,995
Making a total increase in compensation paid since July 1, 1904, to customs employees		91,980

On the basis of present salaries the increase in compensation during the entire present fiscal year will be approximately as follows:

Increase in force	$91,598	
Decrease in force	16,394	
Net increase in force	$75,204	
Increase in salaries	23,529	
Estimated increase in salaries paid World's Fair force over last year	121,572	
		$220,305

Added to this the increase in force and compensation authorized during the fiscal year 1904, which, if carried through the present fiscal year, will amount to an increase in expense of	$100,231	
Less reductions in force during the same period	19,859	
		$80,372
Total estimated increase		300,677

K. ODO AND T. MURAKAMI.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, February 13, 1905.

The CHAIRMAN OF THE APPROPRIATIONS COMMITTEE,
House of Representatives.

SIR: As requested by Hon. William H. Wiley, I have the honor to state the facts in relation to certain overcharges, due to a clerical error on the part of the United States Board of General Appraisers, on merchandise imported into the port of Honolulu, Hawaii, in September, 1902, by K. Odo and T. Murakami.

It appears that in each instance the merchandise consisted of 150 tubs of so-called "sauce," and each was advanced on entry 10 per cent by the local appraiser to make market value; that from this advance the importers appealed to the Board of General Appraisers under section 13 of the act of June 10, 1890; that said Board, through clerical error, advanced the value over 50 per cent, necessitating seizure under section 7 of said act, as amended by section 32 of the act of July 24, 1897; that shortly after seizure the Board discovered the error and advised the collector of customs at Honolulu thereof, stating that the correct advance was but 8 per cent, 2 per cent less than the advance made in the first instance by the local appraiser; that before receipt of the letter from the Board of General Appraisers showing the error the merchandise was released to the importers on payment of the regular duty and 50 per cent additional duty plus the appraised value thereof, which the collector held to be the foreign value, and regular duty and 50 per cent additional duty over again; that subsequently the Treasury Department refunded $84.84, being the excess of regular and additional duty erroneously collected; and that the appraised value, which, as before stated, was held to be the foreign value plus regular duty and 50 per cent additional duty, could not be refunded, because it had been covered into the Treasury as a fine, and there was no appropriation available for the purpose.

Clearly the importers in these two cases have paid into the Treasury $277.40 each, or a total of $554.80, in excess of the amount justly due the Government, and in my opinion they are entitled to the favorable consideration of the Congress to this extent.

Respectfully,

L. M. SHAW, *Secretary.*

TREASURY DEPARTMENT, *February 16.*

Hon. J. A. HEMENWAY:

Replying to your telegram of even date regarding an appropriation for K. Odo and T. Murakami, I have the honor to inform you

that application for remission of the fine was not received at the Department until after the fine had been covered into the Treasury.

It is customary to remit and to refund in cases where clerical errors are shown, as in this case. A formal estimate for an appropriation will be made.

L. M. SHAW, *Secretary.*

SATURDAY, *February 18, 1905.*

PUBLIC HEALTH AND MARINE-HOSPITAL SERVICE.

STATEMENT OF DR. WALTER WYMAN, SURGEON-GENERAL, ACCOMPANIED BY DR. H. D. GEDDINGS, ASSISTANT SURGEON-GENERAL.

The CHAIRMAN. General, you ask for $200,000 deficiency for the Public Health and Marine-Hospital Service. I understand this is the first deficiency of the kind that has been asked for. I wish you would explain fully the necessity for it, and also explain how the expense of conducting this service has heretofore been met, commencing back at the time when we met the expenses by withholding a portion of the wages of the seamen, and giving a brief history of it up to date.

Doctor WYMAN. I would prefer, if agreeable to you, to make the last statement first, because it would make it clearer.

The CHAIRMAN. All right.

Doctor WYMAN. At first seamen's wages were taxed 20 cents a month. After that the tax was increased to 40 cents a month. Then, in 1884, Congress did away with the tax on seamen's wages altogether and made the receipts from the tonnage tax available for the expenses of the service—for the conduct of the service—a continuing fund. There have been, however, in the past years other deficiencies. I have a list of them here: In 1861, in 1862, in 1866, in 1867, in 1868, in 1869, in 1872, in 1873, and one in 1896.

Now, this is a very important matter that I have to bring before you, Mr. Chairman, and I would like to read a very short statement, which would explain more briefly than I could do extemporaneously the situation with regard to our service. After that I would be very glad, indeed, to show how the expenditures of the service have increased under Congressional action, and show that the service is no longer what it used to be under the old seamen's tax, or under its old name.

It was recognized in 1902 and its functions expanded, after very careful consideration of the whole subject by the committees of Congress.

I come first to the matter of this deficiency, which comes to the front now on account of a recent decision of the Comptroller, to the effect that he will not approve warrants unless the money for which they call is actually on the books of the public moneys division and the warrant division of the Treasury. The condition exists not only with regard to this year, but with regard to the next year, and it will have to be met.

According to the bureau records the total expenditures from the tonnage-tax fund for the fiscal year ending June 30, 1904, were

$1,168,252. The balance on hand July 1, 1904, the beginning of the present fiscal year, was $255,643. The estimated receipts from tonnage taxes to March 1, 1905, amounts to $522,500. I am showing what our condition will be on the 1st day of March of this year.

The CHAIRMAN. All right.

Doctor WYMAN. The repayments from all sources due the Service March 1, 1905, will be $74,000, making the total assets on March 1, 1905, $825,143. The expenditures for the same period, July 1, 1904, to March 1, 1905, partly estimated, amount to $795,000, leaving an estimated balance March 1, 1905, of $57,143.

This last amount, however, is not an actual balance on the books of the Treasury Department, inasmuch as repayments have not been made, nor have we assurance that the tonnage taxes for these months have been turned over and entered upon the books of the public moneys division.

The Comptroller has recently declared that no warrants will be issued nor requisitions approved for amounts in excess of those shown upon the books of the division of bookkeeping and warrants.

The tonnage taxes are never less than two months, and often longer, in appearing upon the books of the public moneys division. Therefore practically on March 1 we will be without available assets, although the assets exist.

Under these circumstances it is necessary to anticipate both the tonnage-tax receipts, the repayments from all sources, and the ordinary monthly expenditures for the four remaining months of this fiscal year. There is, therefore, an immediate need of $200,000 to meet the actual deficiency beginning with the 1st of March. Four hundred thousand dollars is the amount estimated for the needs of the service during March, April, May, and June. To meet this expenditure there would be but the tonnage-tax collection for three months—namely, March, April, and May, $65,000 per month, or $195,000, leaving a deficiency of $205,000.

But at the close of the fiscal year 1905 the situation will be practically the same as at present, leaving the Service without actual funds to meet current obligations. Therefore there should be provided an additional $200,000, the expenditures of the Service being about $100,000 a month, and sixty days being required to render the tonnage taxes available. This $200,000 would tide over the first two months of the fiscal year 1906 (July and August, 1905), and enable the Service to meet current obligations. Thus $400,000 in all is necessary.

In conference with the Department it was suggested that in view of the statement of the Comptroller it might be advisable to make the same arrangement with regard to our funds as the Secretary has suggested should be made with regard to the expenses of the collection of customs—turning in the fees and making a direct appropriation for the expenditures. In considering the matter (of course I am not the one to decide) such a plan may be deemed advisable. But however that may be, it is absolutely necessary to look out for the remainder of this and for the next year, to have enough on hand available to meet the requisitions for warrants, and in order not to be left high and dry without money to pay the salaries and other expenses of the service.

The CHAIRMAN. Now then, General, you have reached the point where the tonnage tax does not suffice. Do you receive any other fund toward the expenses of the Service?

Doctor WYMAN. We have a quarantine fund, and then we have a fund for preventing the introduction and spread of epidemic diseases.

The CHAIRMAN. What do you get out of your quarantine fund?

Doctor WYMAN. We have simply charge of the maintenance of the quarantine stations of the United States, Porto Rico, and the Hawaiian Islands. I have a statement here that might show——

The CHAIRMAN. You have heretofore maintained that service out of the tonnage tax and other funds that you receive. Now, what are they, and what did they amount to in the fiscal year 1904?

Doctor WYMAN. While I could answer that question directly, I would like to make a statement about the surplus that we have.

The Public Health and Marine-Hospital Service is maintained by a fund created by collection of taxes on tonnage. The Quarantine Service is maintained by a special appropriation, and certain measures to prevent the introduction and spread of epidemic diseases are provided for by the epidemic fund.

The scope of the service was materially enlarged by the act of July 1, 1902, but without any additional appropriation. The tonnage-tax fund, however, has been sufficient to the present time by reason of an accumulated surplus, which in 1900 (July 1) amounted to $773,000 in round numbers. On July 1, 1901, the surplus amounted to $726,000. On July 1, 1902, when the new law went into effect, the surplus amounted to $635,000. On July 1, 1903, the surplus amounted to $486,000. On July 1, 1904, the surplus amounted to $255,000.

It should be borne in mind that the above relates to the surplus, not to the amount of tax collected.

Since 1901 the receipts from the tonnage tax have declined at about a rate of 5 per cent per annum, but the surplus has been sufficient to meet this decline until the present year.

The reasons for the exhaustion of the surplus are as follows:

First. The decrease in tonnage-tax receipts.

Second. The enlargement of the scope of the Service under the provisions of the act of July 1, 1902. For example, the reorganization of the hygienic laboratory, three new divisions established by law, the enforcement of the vaccine and antitoxin law, the preparation of the standand unit for diphtheritic antitoxin, etc., so that the cost of maintenance of the laboratory for the past fiscal year amounted to $60,000.

Third. The result of the exclusion, under the appropriation act of June 6, 1900, and succeeding appropriation acts, from participation in the following-named annual appropriations, which heretofore included the marine hospitals:

(*a*) Fuel, lights, and water, which cost the Service during the last fiscal year $70,550.

(*b*) Repairs to marine hospitals, which cost the Service last fiscal year $62,300.

(*c*) Heating apparatus, which cost the Service last fiscal year $5,300.

(*d*) Furniture and repairs of furniture, which cost Service last year $4,200.

Fourth. The increase in the number of officers and increase of pay of officers by reason of length of service (longevity pay).

The CHAIRMAN. By what authority of law was the number of officers increased?

Doctor WYMAN. There is no law against it, and it was expected that it would increase, and the law was left purposely so that they could be increased. The matter was discussed, particularly in the Senate committee, and a suggestion was made there that the number of officers should be limited by law. The matter was fully discussed, and the Senate committee was unanimously of the opinion that on account of the new service and its expected growth it was not advisable to limit the number of officers, it being evident that the Service would require the appointment of additional officers; so that this has been quite in accordance with the law.

Fifth. The increase in cost of food stuffs and all commodities entering into hospital maintenance.

I believe the Bureau of Commerce and Labor published statistics showing there has been in the last eight or ten years an increase of at least 17 per cent in the cost of foodstuffs. At any rate, we have found by actual examination quite a large percentage of increase in the prices of our own foodstuffs and hospital supplies.

Sixth. The cost of rehabilitation and equipment of the buildings of Fort Stanton and the maintenance of that sanatorium for tuberculous patients of the Service.

Seventh. Payment of salaries of commissioned officers on epidemic duty out of the fund received from tonnage taxes, instead, as formerly, from the epidemic fund, in accordance with a decision of the Comptroller of the Treasury, which, with refunds on this account to the epidemic fund, amounted to $50,000 during the last fiscal year.

Mr. VAN VOORHIS. Under what provision of the law are these officers detailed to that work?

Doctor WYMAN. Under the act of Congress approved February 15, 1893.

Mr. VAN VOORHIS. Is there no limit to the number?

Doctor WYMAN. No, sir; it is epidemic work, and in some years we require more officers and in some years less for epidemic duty.

Mr. VAN VOORHIS. Who determines this matter as to the detail of these officers?

Doctor WYMAN. The Surgeon-General, with the approval of the Secretary of the Treasury. The law requires it to be done. The officers on foreign duty are detailed with the approval of the Secretary of the Treasury and the President. They are detailed by the President in the offices of the United States consuls at foreign ports that are deemed particularly dangerous to the United States, to sign the bills of health with the consul and to see that the Treasury regulations promulgated under the law are observed at foreign ports on vessels bound for the United States.

Mr. VAN VOORHIS. What increase in the number of officers has there been in the last year?

Doctor WYMAN. We have had three deaths and one dismissal, I know, and we have appointed—I can not tell the exact number nor the net increase offhand, but the increase is four or five, I think, during the calendar year 1904.

Mr. VAN VOORHIS. Is that the average increase?

Doctor WYMAN. Yes; I think it is.

Mr. VAN VOORHIS. The Service is growing constantly?

Doctor WYMAN. Yes; it is growing constantly.

Mr. VAN VOORHIS. Well, now, have you anything further to say in regard to this tonnage tax, or in regard to the decrease of it? I believe you said it was decreasing?

Doctor WYMAN. It has been decreasing. We do not know whether next year it will decrease or increase. We have hopes in will increase.

Mr. LIVINGSTON. Can you tell why the tonnage tax has decreased?

Doctor WYMAN. I can not explain why that has decreased. The Commissioner of Navigation, I believe, has gone into that, and it has been suggested that it is due somewhat to the relative increase in the number of steamers and the decrease in the number of sailing vessels engaged in the foreign trade. The increase in the number of steam vessels causes a diminution by reason of the fact that after a certain number of payments in a year there are no further payments demanded, and steamers make more frequent trips than the sailing vessels.

Mr. LIVINGSTON. It is not due to the transfer of the trade to vessels other than American vessels?

Doctor WYMAN. No, sir; because this tonnage tax is collected from foreign vessels as well as United States vessels.

Mr. VAN VOORHIS. Did you make any recommendation for an appropriation on the regular bill last year?

Doctor WYMAN. No, sir; we did not.

Mr. LIVINGSTON. You have been running on that surplus all the while?

Doctor WYMAN. Yes; we have been running on the surplus.

Mr. VAN VOORHIS. There have been no appropriations?

Doctor WYMAN. No, sir. The Secretary has recommended this $200,000 to meet the deficiency for this year, but at the end of the fiscal year it will leave us in the same condition that we will be in on the 1st of March, and we ought to have a surplus fund to meet these Treasury warrants, and we must have $200,000 available during the next fiscal year.

Mr. LIVINGSTON. Where does that belong? On the sundry civil—the $200,000 that you want for the next fiscal year?

Mr. COURTS. You can put it on this bill if you wish. The sundry civil bill is out of committee now.

Doctor WYMAN. The Secretary warranted me in making any statement I desired touching this matter, but he advised me to be sure not to be caught during the ensuing year in a condition where we could not pay our bills.

Mr. VAN VOORHIS. You think your surplus will not carry you through?

Doctor WYMAN. No, sir; it will not, because it is exhausted now. Four hundred thousand dollars should be put to the credit of that fund either by making this amount $400,000 this year or making in the sundry civil bill an appropriation of $200,000 in addition to the $200,000 in this deficiency bill, to be added to the tonnage tax fund to be used in the fiscal year 1906.

Mr. VAN VOORHIS. Could you not arrange it at $400,000—$200,000

of it to be available for the current fiscal year and $200,000 for the coming fiscal year?

Doctor WYMAN. Yes, sir.

Mr. UNDERWOOD. You would not use the additional $200,000 before the 1st of July, would you?

Doctor WYMAN. No, sir; but on the 1st of July we would not have any fund if that were not available.

Mr. VAN VOORHIS. General, can you furnish this committee with a statement of the revenues and expenses for, say, ten years past, in your Service?

Doctor WYMAN. Very readily.

Mr. VAN VOORHIS. And also give a list of the officers who are serving, and their rank and pay?

Doctor WYMAN. At the present time?

Mr. VAN VOORHIS. Yes, at the present time.

Doctor WYMAN. All right.

Mr. VAN VOORHIS. And you might let that statement also show the increase in the personnel.

Doctor WYMAN. All right. For what period?

Mr. VAN VOORHIS. Well, go back to the year 1900, and give also a reference to the law under which these officers are detailed; and if that law is not very long, you might give a copy of it.

Doctor WYMAN. All right. You want the number of officers, and their rank and pay at the present time—that is, the commissioned medical officers?

Mr. VAN VOORHIS. Yes; and the increase since 1900.

Doctor WYMAN. And the laws under which these officers are detailed for epidemic duty?

Mr. VAN VOORHIS. The law under which they are appointed.

Doctor WYMAN. All right. I can get that up.

Mr. VAN VOORHIS. Your statement, Doctor, would indicate changed conditions from this time on?

Doctor WYMAN. Yes, sir.

Mr. VAN VOORHIS. We would like to have you furnish the committee a copy of the law or laws authorizing the appropriation of this tonnage tax to this fund, so that we will have the whole matter before us.

Doctor WYMAN. Yes, sir.

Mr. LIVINGSTON. It seems to me, Mr. Chairman, you had better make it plain there that you can not hope for anything from the tonnage tax in the next fiscal year, or at the beginning of it anyway. You should make that clear that you can not expect to realize from the tonnage tax sooner than, say, December, 1905.

Mr. VAN VOORHIS. It may be necessary to repeal that law, Mr. Livingston, and so we want it here in case it should be necessary to appropriate regularly for this Service.

Doctor WYMAN. I may add an additional reason for the increased expenses to those I have already given.

Eighth. Payment of salaries of officers detailed under the law for the medical inspection of aliens.

In 1903 Congress authorized reimbursement from the immigration fund for these services. Accounts have been rendered, but there has been delay in settlement. Eighty-four thousand dollars is now due and not paid.

The figures included in the foregoing, amounting to $303,790, and which do not include the increased cost of foodstuffs, etc., somewhat inadequately represent the increased annual cost of maintaining the Service each year since the beginning of the fiscal year 1903, when the Service we reorganized and extended.

Following is a table for the years 1902, 1903, and 1904, showing for each year the amount of tonnage tax collected and the gross and net expenditures:

Year.	Tonnage tax.	Expenditures.	Repayments.	Net expenditures.
1902	$858,190.89	$999,356.77	$50,244.65	$949,112.12
1903	907,316.44	1,096,434.49	39,924.54	1,056,509.95
1904	825,911.41	1,168,252.36	111,346.20	1,056,906.16

In 1902 (fiscal year) there was a decrease in expenditures over that of the previous year amounting to $1,494.

During the fiscal year 1903, which was the first year in which the operations of the reorganized and extended Service went into effect, there was an increase in expenditures of $107,397 over that of the previous year.

In 1904 the expenditures were practically the same as for 1903, there being a difference of only $396.

Therefore, notwithstanding all the items hereinbefore mentioned as showing the reasons for increased cost of maintenance of the Service, the cost for the last fiscal year was about the same as for the year before, a result brought about by great care in expenditures in the various branches of the Service.

TREASURY DEPARTMENT,
PUBLIC HEALTH AND MARINE-HOSPITAL SERVICE,
Washington, February 18, 1905.

Hon. J. A. HEMENWAY,
Chairman Committee on Appropriations, House of Representatives.

SIR: In accordance with verbal request made this morning, I transmit herewith as follows:

Inclosure 1.—Statement showing present pay, including longevity pay of commissioned and noncommissioned officers of the Public Health and Marine-Hospital Service whose salaries are paid from the tonnage-tax fund.

Inclosure 2.—Statement showing increase in the personnel of the Service from January 1, 1900, to January 1, 1905.

Inclosure 3.—Laws under which officers are appointed, also detailed for epidemic duty and in foreign ports. (Act January 4, 1889, act of July 1, 1902, and act February 15, 1893.)

Inclosure 4.—Copy of act of Congress approved June 26, 1884, providing that expenses of the Service hereafter be borne out of receipts for duties on tonnage.

Inclosure 5.—Statement of receipts and expenditures for the last ten years.

Respectfully,

WALTER WYMAN, *Surgeon-General.*

[Inclosure No. 1.]

Statement showing present pay and longevity of commissioned and noncommissioned officers of the Public Health and Marine-Hospital Service.

1 Surgeon-General	$5,000
2 assistant surgeons-general, $2,900 and 40 per cent longevity (twenty years or more in Service)	8,120
3 assistant surgeons-general, $2,900 and 30 per cent longevity (fifteen years or more in Service)	11,310
17 surgeons, $2,500 and 40 per cent longevity (twenty years or more in Service)	59,500
9 surgeons, $2,500 and 30 per cent longevity (fifteen years or more in Service)	29,250
1 passed assistant surgeon, $2,500 and 20 per cent longevity (detailed as director Hygienic Laboratory. Ten years or more in Service)	3,000
2 passed assistant surgeons, $2,000 and 30 per cent longevity (fifteen years or more in Service)	5,200
11 passed assistant surgeons, $2,000 and 20 per cent longevity (ten years or more in Service)	26,400
36 passed assistant surgeons, $2,000 and 10 per cent longevity (five years or more in Service)	79,200
1 assistant surgeon, $2,000 (detailed chief division, Surgeon-General's Office)	2,000
35 assistant surgeons, $1,600	56,000
1 chief division, Hygienic Laboratory	3,600
1 chief division, Hygienic Laboratory	3,200
Total	291,780

Acting assistant surgeons.

2, at $100 per annum	$200
2, at $150 per annum	300
6, at $200 per annum	1,200
1, at $240 per annum	240
6, at $250 per annum	1,500
1, at $270 per annum	270
40, at $300 per annum	12,000
1, at $350 per annum	350
5, at $360 per annum	1,800
1, at $450 per annum	450
9, at $500 per annum	4,500
10, at $600 per annum	6,000
1, at $720 per annum	720
3, at $900 per annum	2,700
1, at $1,080 per annum	1,080
9, at 1,200 per annum	10,800
5, at $1,500 per annum	7,500
1, at $1,600 per annum	1,600
1, at $1,800 per annum	1,800
1, at $1,825 per annum	1,825
1, at $2,250 per annum	2,250
Total	59,085

1 pharmacist, first class	2,200
1 pharmacist, first class	2,000
1 pharmacist, first class	1,700
5 pharmacists, first class ($1,400)	7,000
5 pharmacists, first class ($1,300)	6,500
3 pharmacists, first class ($1,200)	3,600
4 pharmacists, second class ($960)	3,840
16 pharmacists, second class ($880)	14,080
4 pharmacists, second class ($800)	3,200
1 pharmacist, third class, and special disbursing agent	2,000
8 pharmacists, third class ($700)	5,600
Total	51,720

[Inclosure No. 2.]

Statement showing increase in the personnel of the Public Health and Marine-Hospital Service, January 1, 1900, to January 1, 1905.

COMMISSIONED OFFICERS.

January 1, 1900:	
Surgeon-General	1
Surgeons	26
Passed assistant surgeons	24
Assistant surgeons	44
Total	95
January 1, 1901:	
Surgeon-General	1
Surgeons	29
Passed assistant surgeons	22
Assistant surgeons	54
Total	106
January 1, 1902:	
Surgeon-General	1
Surgeons	29
Passed assistant surgeons	23
Assistant surgeons	53
Total	106
January 1, 1903:	
Surgeon-General	1
Assistant surgeons-general	6
Surgeons	23
Passed assistant surgeons	24
Assistant surgeons	56
Total	110
January 1, 1904:	
Surgeon-General	1
Assistant surgeons-general	6
Surgeons	23
Passed assistant surgeons	31
Assistant surgeons	54
Total	115
January 1, 1905:	
Surgeon-General	1
Assistant surgeons-general	5
Surgeons	26
Passed assistant surgeons	50
Assistant surgeons	34
Total	116

NONCOMMISSIONED OFFICERS.

Acting assistant surgeons assigned to duty at stations of the third class:	
January 1, 1900	88
January 1, 1901	89
January 1, 1902	93
January 1, 1903	101
January 1, 1904	110
January 1, 1905	108

PHARMACISTS.

January 1, 1900.	
Senior hospital stewards and chemists	2
Senior hospital steward and assistant chemist	1
Senior hospital stewards	24
Junior hospital stewards	11
January 1, 1901:	
Senior hospital steward and chemist and special disbursing agent	1
Senior hospital stewards and chemists	2
Senior hospital steward and assistant chemist	1
Senior hospital steward and temporary assistant chemist	1
Senior hospital stewards	23
Junior hospital stewards	17
January 1, 1902:	
Senior hospital steward and chemist and special disbursing agent	1
Senior hospital stewards and chemists	2
Senior hospital steward and assistant chemist	1
Senior hospital steward and temporary assistant chemist	1
Senior hospital stewards	25
Junior hospital steward and special disbursing agent	1
Junior hospital stewards	15
January 1, 1903:	
Pharmacists of the first class	15
Pharmacists of the second class	20
Pharmacists of the third class	9
Pharmacist of the third class and special disbursing agent	1
January 1, 1904:	
Pharmacists of the first class	16
Pharmacists of the second class	24
Pharmacists of the third class	7
Pharmacist of the third class and special disbursing agent	1
January 1, 1905:	
Pharmacists of the first class	16
Pharmacists of the second class	24
Pharmacists of the third class	8
Pharmacist of the third class and special disbursing agent	1

The above statement does not include 31 acting assistant surgeons assigned exclusively to epidemic duty and 42 assigned exclusively to quarantine duty and paid from the respective appropriations.

[Inclosure No. 3.]

CHAPTER 19.—AN ACT to regulate appointments in the Marine-Hospital Service of the United States.

Be it enacted, etc., That medical officers of the Marine-Hospital Service of the United States shall hereafter be appointed by the President, by and with the advice and consent of the Senate; and no person shall be so appointed until after passing a satisfactory examination in the several branches of medicine, surgery, and hygiene before a board of medical officers of the said Service. Said examination shall be conducted according to rules prepared by the Supervising Surgeon-General and approved by the Secretary of the Treasury and the President.

SEC. 2. That original appointments in the Service shall only be made to the rank of assistant surgeon; and no officer shall be promoted to the rank of passed assistant surgeon until after four years' service and a second examination as aforesaid; and no passed assistant surgeon shall be promoted to be surgeon until after due examination: *Provided*, That nothing in this act shall be so construed as to affect the rank or promotion of any officer originally appointed before the adoption of the regulations of eighteen hundred and seventy-nine; and the President is authorized to nominate for confirmation the officers in the Service on the date of the passage of this act.

(January 4, 1889.)

[Inclosure No. 4.]

[U. S. Stat. L., 48th Cong., 1st sess., ch. 121, p. 57 (approved June 26, 1884).]

AN ACT to remove certain burdens on the American merchant marine and encourage the American foreign carrying trade, and for other purposes.

Be it enacted, etc., That the last clause of section forty-one hundred and thirty-one of the Revised Statutes be amended so as to read as follows:

* * * * * * *

SEC. 15. Sections forty-five hundred and eighty-five, forty-five hundred and eighty-six, and forty-five hundred and eighty-seven of the Revised Statutes, and all other acts and parts of acts providing for the assessment and collection of a hospital tax for seamen are hereby repealed, and the expenses of maintaining the Marine-Hospital Service shall hereafter be borne by the United States out of the receipts for duties on tonnage provided for by this act; and so much thereof as may be necessary is hereby appropriated for that purpose.

[Inclosure No. 5.]

Public Health and Marine-Hospital Service.

Year.	Tonnage tax.	Expenditures.	Repayments.	Net expenditures.
1894	$537,798.19	$586,741.75	$13,111.79	$573,629.96
1895	521,240.78	575,569.87	12,527.91	563,041.96
1896	546,342.55	559,476.22	12,038.31	547,437.91
1897	729,316.92	538,356.68	11,320.31	527,036.37
1898	844,095.85	600,131.45	15,319.01	584,812.44
1899	835,834.74	684,516.10	15,707.86	668,808.24
1900	876,445.96	825,072.51	39,915.67	785,156.84
1901	904,046.18	1,007,317.79	56,710.93	950,606.86
1902	858,190.89	999,356.77	50,244.65	949,112.12
1903[a]	907,316.44	1,096,434.49	39,924.54	1,056,509.95
1904	825,911.41	1,168,252.36	111,346.20	1,056,906.16

[a] This was the first year of operation under the act approved July 1, 1902, entitled "An act to change the name and increase the efficiency of the Marine-Hospital Service."
The expenditures for the year 1904 show practically no increase over those for 1903.

MONDAY, *February 20, 1905.*

STATEMENT OF MR. GEORGE E. ROBERTS, DIRECTOR OF THE MINT.

MINT AT DENVER.

The CHAIRMAN. Have you a copy of House Document No. 345 there with you, Mr. Roberts?

Mr. ROBERTS. Yes, sir.

The CHAIRMAN. You ask there for $30,000 to supply a deficiency in the appropriation for new machinery for the United States mint at Denver, Colo. Your original estimate, I believe, was $150,000 to do this work.

Mr. ROBERTS. That $150,000 was never intended to be a complete estimate. It was never submitted as such. In fact, I think we never submitted that estimate at all. I think that was put in, as I recollect it, in the Senate, to get us started on the equipment.

The CHAIRMAN. You have had $225,000, and then you had $90,055?

Mr. ROBERTS. Yes, sir.

The CHAIRMAN. That $90,055 was supposed to be a complete estimate, was it?

Mr. ROBERTS. Yes, sir. The original estimate we had in view at that time was made by our superintendent of machinery for that amount, and was submitted by me to the superintendent of machinery in the Philadelphia mint and gone over very carefully. I reduced it somewhat below their estimate, hoping that we could get through with it. But we have expended nearly all of it now. All but $27,000 is either spent or under contract.

We expected to open the mint on the 1st of July, and you have made an appropriation for the conduct of the mint for the next fiscal year. But the superintendent of machinery estimates to me that we ought to have $40,000 more. That is his estimate, but I have cut it down to $30,000, believing that we can start the mint on that amount. I expect that eventually we will need all he has estimated, but I was aware that the committees of Congress were anxious to cut the appropriations as low as possible next year, and I think we can start the mint on $30,000. We might on $25,000, but I made it $30,000, because with all the coinage we have to do in the coming year we hope we can get through on $30,000.

Mr. UNDERWOOD. Mr. Roberts, if they made an appropriation for the amount of machinery to go in there, and limited the amount, why was it not held to that limit?

Mr. ROBERTS. You can not always tell what machinery will cost you when it is let on contract. I reduced the original estimate somewhat below the superintendent of machinery's estimate, because I wanted to hold him down, and I thought we could do it for that amount. I thought it would be best to ask for a little less rather than to give him free rein.

The CHAIRMAN. You are going to coin money out there, are you?

Mr. ROBERTS. Yes; we are going to start on the 1st of July.

Mr. LIVINGSTON. Every day you operate that you will have to drop off one day from the Philadelphia mint, will you not?

Mr. ROBERTS. We are going to do somewhat more work in the mints than has been done heretofore. For twenty years or more it has been the practice to buy the blanks for 5 and 10 cent pieces ready made. I am not sure that there is any advantage to come from making them—that is, if you contemplate the investment and all—but since Congress has given us these additional mints, we are going to utilize them as much as we can, and we have begun already to make our 1 and 5 cent blanks at Philadelphia, so that we will do more work than heretofore. In fact, the manufacture of 1 and 5 cent pieces is the principal business of the mints.

FRIDAY, *February 17, 1905.*

DISTRICT OF COLUMBIA.

STATEMENT OF MR. HENRY L. WEST, COMMISSIONER OF THE DISTRICT OF COLUMBIA, ACCOMPANIED BY MR. ALONZO TWEEDALE, DEPUTY AUDITOR.

CONTINGENT EXPENSES.

The CHAIRMAN. On page 26 of the bill, Mr. Commissioner, there is an item of $1,500, "additional amount required for postage for strictly official mail matter." You are a letter-writing crowd up there?

Commissioner WEST. That is the only way we have of getting at you gentlemen. The estimate for that deficiency, Mr. Chairman, will have to be increased to $2,000. We have made a very careful calculation of the amount that will be required for postage for the rest of the fiscal year, and the estimate from the assessor's office and from the collector of taxes, especially in regard to triennial assessments, which become due this year, will make our postage account very large. We thought at the time we sent this up that $1,500 would be ample; but, as I say, a most conservative estimate has been made, showing that we can not get on from now until next July for less than $2,000.

The CHAIRMAN. It is an expenditure for postage stamps, taken out of one pocket and put in another?

Commissioner WEST. That is true; but that is the condition in which we find ourselves.

Mr. LIVINGSTON. Is that a domestic service within the District?

Commissioner WEST. Yes; I should say 95 per cent of it is within the District.

CORONER'S OFFICE.

The CHAIRMAN. Turning back to page 25, I see you have there an item for the coroner's office, "additional amount required to meet the objects set forth in the appropriation for coroner's office, $300."

Commissioner WEST. The coroner's office has been unable to keep within its appropriation, owing to the fact that the code made the fees of jurors $3 instead of $2. That has increased the expenses of that office, and this deficiency is very largely to cover the increase of the fees paid to jurors.

Mr. LIVINGSTON. What was that increase, Mr. West?

Commissioner WEST. Three hundred dollars.

Mr. LIVINGSTON. I mean what was the increase of the fees? From what?

Commissioner WEST. From $2 to $3.

Mr. LIVINGSTON. How is that increase made?

Mr. TWEEDALE. It is made by the code—the new code.

RIVER AND HARBOR FRONT.

The CHAIRMAN. On page 28 is an item under "Streets," for harbor and river front, $815.

Commissioner WEST. The condition there, Mr. Chairman, is that the harbormaster needs $415 to put the harbor boat in good condition. It is now a comparatively old boat, and much of the wood in it has become rotten in the hull and will have to be replaced; and the rest of that amount, the other $400, is to cover incidental expenses, including the repair of the wharf where the harbor boat is stationed. That is in rather a dilapidated condition also, and $400 could be expended very properly there.

The CHAIRMAN. Why did you not ask for that on the regular bill and not bring it in the way of a deficiency?

Commissioner WEST. I suppose that ought to have been done.

The CHAIRMAN. How urgent is the necessity for the repair of the harbor boat?

Commissioner WEST. Those repairs are absolutely needed, Mr. Chairman. I have inspected the boat myself, and had the captain in charge show me the condition of the hull. I know that from personal observation.

BATHING BEACH.

The CHAIRMAN. Now, as to the bathing beach?

Commissioner WEST. That is a small matter.

EXTENSION OF STREETS AND AVENUES.

The CHAIRMAN. The next item is for extension of streets and avenues: "For additional amount required to provide the necessary funds for the costs and expenses of condemnation proceedings taken pursuant to public act," etc., $225.05.

Commissioner WEST. Under the law, Mr. Chairman, we are allowed $300 for the costs and expenses of condemnation proceedings. We have found that that amount in every case is inadequate to meet the costs of the jury of condemnation, of the advertising, which is necessary, and to meet the fees which are imposed on us by the courts. The $300 is inadequate, and this amount, $225.05, represents the amounts which are due. Of this sum, $225.05, I would state, because the committee ought to know, that $114.40 is due the clerk of the court for fees. The rest of the amount is due to men for services as jurors in condemnation proceedings.

I might state, Mr. Chairman, that in a supplemental estimate which was sent up the expenses of condemnation of Euclid place, of H street, of Wyoming avenue, and S street show deficiencies arising from the same cause, and that the $300 appropriated is inadequate to pay the expenses for the condemnation of property.

PUBLIC SCHOOLS.

The CHAIRMAN. Under public schools you ask for an additional amount for repairs and improvements to school buildings and grounds, $1,000.

Commissioner WEST. That amount ought to be used at once, but if we use it, it will create a deficiency. It should be used in providing water for the school at Bennings. We have found out that the school out there has no water at all, and we ought to dig a well. The only way to have that done immediately is to put it in the defi-

ciency bill. At present the water is brought from a private well some distance away. If we had this amount for repairs we can provide those school children with water.

The CHAIRMAN. What is the estimate?

Commissioner WEST. It is estimated at $1,000. I should say there are two wells to be dug—one at Ivy City and the other at Bennings.

The CHAIRMAN. And the two would cost $1,000?

Commissioner WEST. Yes, sir.

May I speak of the additional amount required for repairing and renewing the heating and ventilating apparatus, $2,000? The appropriation having been inadequate we have had to fall back during this winter on the emergency fund to make sudden repairs in order to make the school buildings habitable, and we ask this amount because it is absolutely needed in repairing the heating and ventilating apparatus in several school buildings.

The CHAIRMAN. Have you expended your $35,000?

Commissioner WEST. Yes, sir. It ought not to be $35,000. It is $3,500.

The CHAIRMAN. You have transferred that charge, however, to the annual charge for buildings for the next year, $3,500.

Commissioner WEST. Yes, sir; that is right.

METROPOLITAN POLICE.

The CHAIRMAN. The next is for "Metropolitan police: For amount required to pay the salary of Edward Murphy, private, etc., $75.60."

Commissioner WEST. This man Murphy was under charges, and while charges were pending he was suspended from the force, and his check was not given to him. It was found out afterwards that the Commissioners had no right to suspend him without pay, and this is to pay him that amount. His check had been canceled and the money covered back into the Treasury.

FIRE DEPARTMENT.

The CHAIRMAN. The next is for "Fire department: For additional amount required to meet the objects set forth in the appropriation for contingent expenses, etc., $5,000."

Commissioner WEST. The fire department has had three companies added to it, without an increase in the contingent expenses. The question arose, when we were equipping those companies and during the progress of their work, whether we had a right to create a deficiency in the contingent fund. When the matter came to me I took the responsibility of saying that rather than close those engine houses up we would furnish them and keep them going, and come to you with a statement of the facts, in order that the deficiency created might be made good by Congress.

The CHAIRMAN. Did the whole of the deficiency grow out of the increase?

Commissioner WEST. Actually, yes, with the exception of one item of horseshoeing. We had some trouble with the horseshoers' union, and they have put up their prices about 50 per cent, and that has added very materially to the cost of contingent expenses.

The CHAIRMAN. How much is that item?

Commissioner WEST. It went up from $1.50 to $2 for shoeing the horses in the fire department. That increase in the horseshoeing also included extra rates for night work; and the equipment of these three buildings and the keeping of those three companies in operation have made this deficiency—entirely.

Mr. UNDERWOOD. How much does the District pay out for shoeing fire horses?

Commissioner WEST. Two dollars.

Mr. UNDERWOOD. How much in the aggregate?

Mr. TWEEDALE. That has never been separated.

Mr. UNDERWOOD. Would it not be cheaper to hire a man or men—Government officials—to do it?

Commissioner WEST. I can explain, I think, in a moment why it would not do. Suppose to-night sleet falls on the ground. Immediately every fire department horse is taken to the horseshoer to have his shoes roughed, because at any moment a fire alarm may come in. It would be impossible for one man or any set of men to go to all the fire department stables and shoe all those horses quickly. If at 9 o'clock to-night a sleet forms and commences to freeze, instantly every captain of the fire department sends his horses out to the nearest shop. We have them all located, and the blacksmith is awakened and taken to his shop and these horses are roughed, so that whenever an alarm comes those horses can be taken out on the street. In the other departments, such as the street-cleaning department, we do hire a man for that purpose, and he keeps the horses shod. But such a scheme would not be practicable in the fire department for the reasons I have stated.

The CHAIRMAN. On page 31 there is an item for forage—$7,000.

Commissioner WEST. That deficiency is due to the increased price of forage, and the fact that we now have 30 more horses to feed than we had last year.

HEALTH DEPARTMENT.

The CHAIRMAN. The next is the health department, $300.

Commissioner WEST. That is the amount asked for the health officer because the balance remaining of the appropriation is not sufficient to pay the expenses of the inspectors of dairy farms in the next spring and summer—inspectors looking after milk and preventing contagious diseases.

The CHAIRMAN. What salaries are they paid?

Commissioner WEST. Twelve hundred dollars.

The CHAIRMAN. What do you do with the additional amount?

Commissioner WEST. The additional amount is for expenses. It does not concern their salary at all, sir, but is for traveling expenses. There are more than one inspector. I think there are quite a number of those inspectors.

The CHAIRMAN. And this is the traveling expense fund?

Commissioner WEST. Yes, sir. It pays their expenses out into Loudoun County and Fairfax County, Va., and Montgomery County and Prince George County, Md., where they inspect the milk before it is brought to the city of Washington.

SUPPORT OF PRISONERS.

The CHAIRMAN. On page 32 is an item for support of prisoners, District of Columbia, $4,000.

Commissioner WEST. That is submitted by the Attorney-General, Mr. Chairman.

PAYMENT OF JUDGMENTS AGAINST THE DISTRICT.

The CHAIRMAN. For payment of judgments you ask for $12,442.97, together with interest.

Commissioner WEST. I can explain, Mr. Chairman, each one of those judgments if you want to hear the matters in detail. I brought with me from the corporation counsel's office a short copy of the judgments entered in each case, and showing the reason why the case was brought against the District.

The CHAIRMAN. You have statements there showing it?

Commissioner WEST. Yes, sir.

The CHAIRMAN. Are they short, so that they can go into the record?

Commissioner WEST. Yes, sir.

The CHAIRMAN. This big judgment here for $5,585.20 in the case of Rowena T. Detrich—what is that about?

Commissioner WEST. This is a judgment of $5,500 with costs of the suit, $85.20, making $5,585.20. Mrs. Detrich sued the District for $10,000 damages for serious personal injuries sustained by her on May 12, 1902, by reason of the defective condition of the sidewalk on K street at the southeast corner of Fourth street northwest. At the trial of the case in the supreme court of the District of Columbia a verdict was rendered on December 22, 1903, in favor of the plaintiff for $5,500. The District appealed to the court of appeals, but that court on May 4, 1904, affirmed the judgment of the lower court. This judgment is final, and an appropriation for its payment should be procured.

The CHAIRMAN. The next one is a $2,500 judgment.

Commissioner WEST. Yes. That is a judgment for $2,500 in the case of Alice R. Mosheuvel against the District.

It is stated in this memorandum that—

In the declaration in this case, filed August 7, 1899, claim was made for $10,000 damages for personal injuries sustained by the plaintiff by reason of the dangerous condition of the sidewalk in front of her residence, No. 113 E street NE., caused by an uncovered water box projecting above the sidewalk adjoining the front steps leading to her residence, and about 4 inches from said steps, which said water box had remained open and uncovered for a period of about a year prior to the accident. At the trial of the case on April 24, 1900, a verdict was directed by the court in favor of the District. On appeal to the court of appeals from the judgment entered on the verdict that court affirmed the judgment of the court below, upon the ground of contributory negligence on the part of the plaintiff.

From the judgment of the court of appeals an appeal was taken by the plaintiff to the Supreme Court of the United States. The case was there twice argued. Upon the first argument the judgment of the court below was affirmed by a divided court. Thereafter a reargument was ordered, and by a majority decision the Supreme Court reversed the judgment of the court of appeals, holding that the plaintiff was not negligent as a matter of law, and that the question of her negligence should be submitted to the jury. The case having been remanded, it was again brought on for trial before Mr. Justice Barnard and a

jury on the 19th instant. The proof showed that the plaintiff's injuries were serious and permanent. After the testimony was all in and the court had refused to direct a verdict for the defendant, and being satisfied that the recovery against the District would be for a very large sum, and in view of the long pendency of the case and its history, after conference we concluded to accept the offer of the plaintiff to take a judgment for $2,500.

That is what Mr. Duvall writes to the Commissioners under date of December 23, 1904.

The CHAIRMAN. And now the $3,000 judgment.

Commissioner WEST. Concerning that case, Mr. Duvall, the corporation counsel, has sent us this memorandum:

LAW DEPARTMENT OF THE DISTRICT OF COLUMBIA,
Washington, February 17, 1905.

[Memorandum.]

Rose E. Bond was injured on the 14th day of December, 1889, by the tilting of a manhole cover to a sewer top at the intersection of Indiana avenue and Second street NW., placed in the sidewalk, while walking along the sidewalk.

Suit was brought by her, and resulted, by a direction by the court, in the favor of the District, because of failure on the part of the plaintiff to establish either actual or constructive notice of the defect in this manhole cover. Subsequently a second suit was brought in her married name, Rose E. McCubbin (she having married in the meanwhile). It appeared in evidence at the trial that the manhole cover was defective, by reason of its being too small for the opening it was intended to cover, rendering it liable to slip or tilt when stepped upon.

There was evidence at the trial that others besides the plaintiff had stepped upon this cover, and that it had tilted with them by reason of the defect mentioned. The evidence was not clear whether these other persons had stepped upon the cover before or after the injury of the plaintiff, but was sufficient, in the judgment of the attorneys of the District to secure a reversal of the ruling of the trial judge in favor of the District. Independent investigation subsequent to the trial established that these witnesses had actually stepped upon cover prior to the plaintiff's injury and would so testify at the trial. The plaintiff was seriously and permanently injured, and presented a pitiable appearance at the trial, and there was no question but that her injuries and condition was solely caused by the injuries she had received. It was then believed, and is still believed, that the jury would have rendered a verdict of not less than $5,000 and in all probability above $8,000. Therefore, after consultation with the Commissioners, it was agreed that the court should set aside the verdict in favor of the District rendered at the second trial by direction of the court and enter a verdict for $3,000.

Several months after this verdict was rendered the plaintiff submitted to surgical treatment for the injuries received and died as a result of the operation.

A. B. DUVALL, *Corporation Counsel.*

The CHAIRMAN. Do you know anything about this item for the support of prisoners, forwarded by the Attorney-General?

Commissioner WEST. No, sir; I do not. That is for expenses for the maintenance of the jail, over which we have no jurisdiction whatever.

The CHAIRMAN. Do you know how much of the fund you have on hand?

Commissioner WEST. No, sir; it does not come within our jurisdiction in the least.

WRITS OF LUNACY.

The CHAIRMAN. On page 33 is an item for writs of lunacy.

Commissioner WEST. Yes; I wanted to call the attention of the committee to that, in view of the position taken by the House. That

deficiency item is very largely for clerks' fees. In fact the entire amount is for clerks' fees.

The CHAIRMAN. That is, clerks' fees for writs of lunacy.

Commissioner WEST. Yes, sir; the entire amount is for clerks' fees.

The CHAIRMAN. The clerks are getting a good job on the District?

Commissioner WEST. Yes; they make a flat charge of $5 a case.

The CHAIRMAN. Now, this law was enacted in your code that passed a few years ago?

Commissioner WEST. Yes, sir.

The CHAIRMAN. The attorneys who prepared that business seemed to take care of the court officers pretty well. What is the next item?

RELIEF OF ALICE L. RIGGS.

Mr. COURTS. It is on page 34: "Relief of Alice L. Riggs."

Commissioner WEST. Miss Riggs is the owner of property at the corner of Fifteenth street and Rhode Island avenue, across from the Russian legation. An application was made to the Commissioners for the issuance of a permit for the establishment there of an automobile warehouse. There was no regulation or law under which the permit could be refused, and it was granted. After it had been granted the people in the neighborhood created so much trouble and were so indignant at the granting of the permit, and at a hearing before the Commissioners it was made so apparent that that locality, that section, which is a fine residence locality, would be damaged by the location of an automobile warehouse there, that the Commissioners revoked the permit and passed a regulation which thereafter made the establishment of automobile warehouses and storage places impossible unless the consent of a majority of the residents and property owners in the neighborhood was given. By that time, however, the people who had intended to locate this warehouse there had gone to considerable expense. They brought in quite a large bill against the District for lumber, labor, contract services, and other items, which bill was submitted to our auditor and very carefully scrutinized. It was reduced in quite a large proportion from the original figures.

The Commissioners believe it is a matter of equity to these people to pay them for the expenses incurred by them prior to the revocation of the permit, and we certainly think that the $1,000 involved here is more than brought back to the District in the continued and undiminished value of the property in the neighborhood. That is that situation in a nutshell.

Mr. VAN VOORHIS. Is there not a suit pending in court about that matter?

Commissioner WEST. They did sue us about that, but we told them that if they did not press the case the District would present the matter to Congress and save the expenses of the suit by asking that this sum be reimbursed in the appropriation bill.

The CHAIRMAN. What does your attorney say as to the liability of the District?

Commissioner WEST. The attorney was perfectly willing to take the case into court, and said he doubted whether these people could recover. But even upon that recommendation I agreed, and the Commissioners unanimously agreed, that equity toward these people

demanded, or at least suggested, that they be reimbursed this amount of money. I think they could have gone ahead and built this warehouse if they had so desired.

Mr. BURKETT. This matter was up a year or two ago, I believe?

Commissioner WEST. Yes, sir.

Mr. BURKETT. Why was it not brought up in the other bill?

Mr. VAN VOORHIS. The suit was pending then.

Commissioner WEST. Yes; the suit was pending at that time.

The CHAIRMAN. Mr. Burkett's question is, Why was it not brought in on the District bill? It belongs here, does it?

Commissioner WEST. Yes; it belongs here. I am thoroughly familiar with every detail of this case, because I was largely responsible for the revocation of the permit.

Mr. BURKETT. I gave this some personal investigation sometime ago and found that nothing was done there by this party.

Commissioner WEST. Yes; the foundation was put in, and a great deal of lumber was put on the spot, and the brick was unloaded, and some of it was put in. For instance, you will see what the items are from the inclosed statement:

WASHINGTON, D. C., *April 22, 1903.*

The District of Columbia to Miss Alice L. Riggs, dr., for moneys expended and obligations incurred in and about the attempted erection at the corner of Fifteenth street and Rhode Island avenue, in said city, of a building intended as and for an automobile salesroom and storage barn, under permit No. 2455, issued March 24, 1903, and subsequently revoked.

To cash paid for permit	$2.00
To deposit for crossing sidewalk	25.00
To survey, surveyor, District of Columbia	3.00
To water for laying brick	1.05
To examination of foundation wall, March 31	1.00
To architect, making plans	50.00
To bricks, sand, and cement work	169.60
To ironwork	23.60
To excavating, etc	107.00
To plumbing work	115.25
To millwork	58.50
To lumber	38.96
To painting	21.00
To cost of replacing fence	67.50
To cost of restoring lot to former condition	43.50
To pay of carpenters, Denham	21.00
To claim of Chas. S. Denham, contractor, for services and loss of profits	300.00
	1,047.96
By estimated value of 3,000 bricks now on ground worth, less cost of hauling, $6 per M	18.00
	1,029.96
	25.00
	1,004.96

WASHINGTON, D. C., *March 5, 1904.*

Col. JOHN BIDDLE,
Corps of Engineers, U. S. Army, Engineer Commissioner, District of Columbia.

DEAR SIR: I inclose herewith memorandum of outlays incurred by Mr. George Howard for account of Miss Riggs in connection with his effort to erect an automobile salesroom on the corner of Fifteenth street and Rhode Island

avenue in April of last year under permit from the Commissioners, which was subsequently revoked. I went over this bill with Mr. Petty when he was auditor, and he agreed in the main that it was a just bill and ought to be paid; my recollection is that he objected to paying Mr. Denham as much as $300 for his services, but that, as I understood from Mr. Howard, was the best Mr. Denham would do.

If the new auditor cares to go over the account again, Mr. Howard, I am sure, will be glad to come down and explain the several items to him. Before my return from Florida, in about ten days from now, I shall hope that the Commissioners will be able to see their way clear to paying the bill in some way.

Very truly, yours,

SAML. MADDOX.

All these items were carefully scrutinized by our building inspector and by the auditor before the Commissioners submitted this amount.

Mr. BURKETT. The attorney found a flaw in the application? That is why you knocked it out?

Commissioner WEST. That is why we knocked it out.

Mr. BURKETT. And that is the ground he contests the suit on?

Commissioner WEST. The point made by Miss Riggs and her attorney is that if we had rejected the permit in the first place, so that they had never gone to the trouble of getting this material together and commencing work, they would have no ground to come to us and ask for reimbursement. But we gave them a permit, and after we had done that and they had gathered this material together and secured the services of architects and others, we revoked the permit and rendered all that nil. I think it is an equitable claim against the District.

PAYMENT TO E. F. BEST.

The CHAIRMAN. Then there is an item for payment to E. F. Best for repairing damage to lots 1 and 17, block 1, Tunlaw Heights, occasioned by cutting down streets, $100.

Commissioner WEST. I know nothing about that at all.

The CHAIRMAN. Mr. Bartlett, of Georgia, knows something about that.

Mr. COURTS. Here is a letter on that, received from Commissioner Macfarland. [Submitting letter.]

Commissioner WEST. This case was never referred to the Commissioners, to my knowledge.

The CHAIRMAN. We have a letter here from Mr. Macfarland.

Commissioner WEST. I did not know it.

Mr. BURKETT (reading letter):

OFFICE COMMISSIONERS OF THE DISTRICT OF COLUMBIA,
Washington, January 25, 1905.

Hon. JAMES T. MCCLEARY,
Chairman Subcommittee on District of Columbia Appropriations,
House of Representatives.

DEAR SIR: In reply to your letter of the 18th instant, relative to a claim of E. F. Best for damages to lots on account of street improvements and asking to be advised whether there is not same method in the discretion of the Commissioners to make settlements of such claims for damages, the Commissioners have the honor to state as follows:

The property of Mr. Best is located on the west side of Wisconsin avenue between its junction with Thirty-seventh street and Frankfort street. In connection with the improvement of Wisconsin avenue under an appropriation the grade of the avenue was lowered 2 or 3 feet in front of this property. The sidewalk was graded from public funds and a practicable slope given to the

driveway entrance leading into the property. Subsequently Mr. Best expended certain funds, as shown on his affidavit, which you inclosed, for sloping and terracing in the parking space and in further grading of the driveway entrance.

The District of Columbia is not responsible for damages done to private property by reason of change in the grade of streets. In this jurisdiction the common law applies, and this does not recognize such damages. In other jurisdictions there are statutory provisions allowing damages. The only statutory law in this jurisdiction regarding damages is that providing for the payment of damages by reason of changes in grade in connection with the new Union Station, where the changes in grade were very radical. Bills have been introduced in Congress for the payment of claims for damages on account of changes in grades of streets, but such bills have always received an adverse report from the Commissioners and have never become law. The Commissioners would recommend such adverse action in the present case. Property situated as Mr. Best's property is, on the slope and near the crest of a steep ascent in an important thoroughfare like Wisconsin avenue, must fairly expect to be subject to a change of grade in an improvement of the avenue, and it might have been the case that his property would have been more seriously affected than it really was. The property of a Mr. Brook, which adjoins Mr. Best's, was affected in a greater degree.

If the Commissioners were compelled to pay damages to abutting property for each time that they changed the grade of a street, it would require a considerable increase in the appropriations for improvements of streets and roads. The Commissioners, in changing a grade, always endeavor to arrange so as to damage private property as little as possible; but as you can well see, there are instances where some damage must be done. This damage, however, is usually such a small amount that the property which is damaged is more benefited by the resultant improvement in the street than it is damaged by the change in grade.

Very respectfully,

HENRY B. F. MACFARLAND,
President of the Board of Commissioners of the District of Columbia.

Mr. UNDERWOOD. The question is whether it was improved more than it was damaged. It seems to me that question would cut some figure. But is there not a law as to the establishment of grades, to the effect that the first time they establish it the property holder can not hold them liable, but after that, if they change it, under the law they are liable?

Mr. BURKETT. This was not a change of grade. This was an improvement.

Mr. UNDERWOOD. Was this the original grade established out there? Do you know about that, Mr. West?

Commissioner WEST. No, sir; I do not.

Mr. UNDERWOOD. I think that is the proposition in law.

Mr. LIVINGSTON. That is the statement Mr. Bartlett makes, that he had built all right and then the grade was changed.

RELIEF OF LEWIS I. O'NEAL.

The CHAIRMAN. The next item is for the relief of Lewis I. O'Neal.

Commissioner WEST. He is a justice of the peace here in the District, whose office was entered and whose safe was robbed of this amount, $140, through no negligence of his. We required him, however, to make good the amount, inasmuch as the money was District money; and we have sent to Congress this item for reimbursement, accompanied by his affidavit as to the circumstances under which the robbery took place. He was not responsible, and it comes in the same category as postmasters whose safes are robbed in their absence.

RELIEF OF JACKSON BONEY.

The CHAIRMAN. The next item is for relief of Jackson Boney, $147.

Commissioner WEST. He was a man in the employ of the sewer department. He was directed to go down into a sewer through a manhole with a lighted lamp. He protested, but finally obeyed orders. He had hardly got within the sewer before an explosion occurred. He lost an eye, his face was badly disfigured, his ears were nearly blown off, and for eighty-four days he was unable to do any work. This proposition is to reimburse him for his time, inasmuch as we had no authority to pay him for the days when he was not working—for the days during which he was prevented from laboring.

Mr. LIVINGSTON. Does he not want payment for his eye?

Commissioner WEST. I was going to say that he has sued, or will sue, the District for $1,500 damages for injuries sustained in the accident. But apart from that, the Commissioners think, in view of the fact that he was a poor man, that we should pay him for this time—the time during which he was laid up by the accident.

The CHAIRMAN. I suppose in his suit he would ask compensation for the time he was laid up.

Commissioner WEST. I am not certain about that, Mr. Chairman, but I think not. We reached an amicable agreement with him that if we got this through it could not be taken into the consideration of the case. That is my recollection. Is not that correct?

Mr. TWEEDALE. Yes; that is correct.

RELIEF OF JOHN C. DANCEY.

The CHAIRMAN. For relief of John C. Dancey, recorder of deeds, $33.90.

Commissioner WEST. This item was submitted at the request of Mr. Dancey, recorder of deeds. He had secured some janitor service to do some work in his office, and it was disallowed, although similar work had been allowed in the past.

REIMBURSEMENT OF SHORTAGE IN ACCOUNTS.

The CHAIRMAN. On page 36 is an item for reimbursement of shortages in accounts, $53,527.61 and $11,503.74; in all, $65,031.35, to be paid wholly from the revenues of the District of Columbia.

Commissioner WEST. That, Mr. Chairman, is the Watson defalcation. At the time this item was submitted, a year ago, the case was pending. The man had not been tried, and the item went over. Since that time the case has been tried in court, Watson has been convicted, is now in the Moundsville Penitentiary serving a term of ten years, and the Commissioners have come to Congress asking a reimbursement of this miscellaneous private fund. The fund is being used now, I might explain, exactly in the way which made Mr. Watson's defalcation possible. It is composed of money paid in by persons who want improvements done, and we are now paying back to people the money that other people had paid in. In other words, if there were not a draft upon the entire fund we could get along in the way we are now doing, just as a bank meets ordinary checks against

it in daily transactions; but if there should come a time when all the depositors of this fund should ask for a settlement of course we would be just $65,000 short. There is this deficiency in the fund, and it ought to be made good. The decision in the court says that Watson was the man who was guilty of the defalcation, and the verdict was unanimous against him.

Mr. BURKETT. Nobody can steal it now if you do not have it?

Commissioner WEST. No, sir; they can not steal it.

Mr. UNDERWOOD. Was there not a question as to the liability of the bond?

Commissioner WEST. The question was raised, and the Commissioners have sued. The case is now pending in the court. They sued Mr. Petty for the amount of his bond.

Mr. UNDERWOOD. Did not the committee last year let it go over pending the result of that suit? If that suit is won, it would supply this deficiency. It is not urgent now? You are not likely to be overdrawn until that suit is settled?

Commissioner WEST. To be frank with you, it is not likely.

Mr. UNDERWOOD. We could get along until that suit is decided without serious difficulty?

Commissioner WEST. We do not anticipate any difficulty.

SHELVING, OLD RECORDS VAULT.

The CHAIRMAN. There is a document here, No. 324, containing an item for shelving and repairs to the old records vault.

Commissioner WEST. Yes, sir. We pay $600 a year for the old record vault in a large building down on First street. It was recently reported to me that that vault was in a very bad condition; that the shelving was rotting, and that the documents there were in danger of destruction. I had a committee appointed to look into the condition there and make an estimate of the amount neccessary to put that vault into good condition, so as to insure the preservation of the District records. The estimate was $455, and that amount is urgently needed to meet that condition of affairs.

The CHAIRMAN. Do you rent the vault?

Commissioner WEST. Yes, sir.

The CHAIRMAN. Did you agree in the contract or lease to keep it in repair?

Commissioner WEST. We rent the entire building, and in our contract we agree to make all interior repairs, while the owner of the property makes the exterior repairs. This brings the vault within our jurisdiction.

BOARD OF CHILDREN'S GUARDIANS.

The CHAIRMAN. The next item in that document is for the Board of Children's Guardians, on the second page of that document.

Commissioner WEST. The appropriation for the Board of Children's Guardians was $40,000. Of that amount there was expended during the first six months $21,000, and the estimate of the amount necessary until the remainder of the fiscal year has elapsed shows that $3,500 will be needed to meet the current running expenses of that board. The children committed to the Board of Children's Guard-

ians come from the courts, and the number has increased very largely, and that increases the expenses of running the board.

The CHAIRMAN. It is not a sum that you can regulate at all?

Commissioner WEST. No, sir; we can not. These wards are given to us by the courts.

The CHAIRMAN. "For additional amount required for board and care of all children committed," etc., $830.68.

Commissioner WEST. I have a note here which says for the first six months of the fiscal year 1905 the children committed to the guardianship of the Board numbered 132, while for the corresponding period of the fiscal year ending June 30, 1904, the number was only 84; so that you see the large percentage of increase in the number of children under the care of the Board.

ISOLATING WARD, GARFIELD HOSPITAL.

The CHAIRMAN. The last item in that document is for Garfield Hospital, isolating ward, $2,000.

Commissioner WEST. The authorities of the Garfield Hospital, in connection with the health officer and the board of charities, say that this amount is absolutely necessary to maintain these isolating wards for the balance of the present fiscal year. There is a regular appropriation of $4,000 for this purpose, but that amount is insufficient.

Mr. BURKETT. Is not that an agreed price?

Commissioner WEST. I think not, sir. I am not certain about that.

The CHAIRMAN. What do you do with the Garfield Hospital? What arrangement have you with it? What does the District pay for these isolating wards?

Commissioner WEST. We have a regular contract price with the Garfield Hospital for patients sent there. I think it is $1.25 a day. I am not certain, but I think that is the price.

The CHAIRMAN. Now, you have an appropriation of $4,000 for the present fiscal year?

Commissioner WEST. Yes, sir.

The CHAIRMAN. Are you sending so many people, who have to go to those wards, and that requires an additional $2,000?

Commissioner WEST. Mr. Chairman, to be very frank, I should judge that is the case, but I can not answer absolutely.

Mr. BURKETT. Do they not agree to keep so much or so many of these isolating wards at the disposal of the District for an agreed price of $4,000?

Commissioner WEST. No, sir; they do not. That is not the situation. We give them an appropriation for maintenance and support—a blanket appropriation.

The CHAIRMAN. Was there not some statement in the newspapers the other day that the health officer refuses to send additional people there, or refuses to sanction this estimate, for the reason that the Garfield Hospital does not furnish the service or treatment that warrants the payment of this money?

Commissioner WEST. That is so, but he changed his mind on that, Mr. Chairman. When he first looked into the question he made this indorsement:

HEALTH DEPARTMENT, *January 23, 1905.*

Respectfully returned to Hon. H. B. F. Macfarland, Commissioner, District of Columbia, inviting attention to the fact that of the 130 cases treated in the isolating wards connected with Garfield Memorial Hospital between July 1 and December 31, 1904, only 97 were free patients, and to the further fact that the various statements which have come before the health department from time to time show the expenses of these wards have not shown that the income from such patients was applied to the support of said wards.

I respectfully recommend, therefore, that the chairman of the executive committee of Garfield Memorial Hospital be requested to furnish a statement showing the amount received from private patients treated in the isolating wards at Garfield Memorial Hospital between July 1, 1904, and December 31, 1904, the amount expended therefrom for the maintenance of said wards, and the amount now remaining on hand and available for that purpose. Without said data it will be impossible to form an intelligent idea as to the needs of the hospital.

WILLIAM C. WOODWARD, M. D.,
Health Officer.

Subsequently to that, on February 10, 1905, the health officer made this indorsement:

Respectfully returned to Hon. H. B. F. Macfarland, Commissioner, District of Columbia. In view of the facts set forth in the within communication relative to the status of the appropriation for the maintenance of the isolation wards at Garfield Memorial Hospital, and in the accompanying communication relative to the statement of the fund made up from the receipts from private patients maintained in said wards, I respectfully recommend that an effort be made to procure an appropriation of "$2,000, or so much thereof as may be necessary, for maintenance of isolating wards for minor contagious diseases at Garfield Memorial Hospital."

The advisability of recommending an increase of $2,000 in the annual appropriation made for the maintenance of these wards can be considered best in connection with the preparation of the next annual appropriation bill.

WILLIAM C. WOODWARD, M. D.,
Health Officer.

In the last paragraph you will notice he says that next year he will ask for an increase in the regular bill of $2,000, making the amount $6,000 instead of $4,000.

Mr. LIVINGSTON. Does not your contract with the hospital in regard to these isolating wards cover the kind of treatment and service and everything of that kind?

Commissioner WEST. No, sir; not in these particular wards—not in the contagious-disease wards; but they do in the case of the ordinary kind of patients.

FILLING UP ROCK CREEK.

Mr. LIVINGSTON. Mr. Commissioner, here is a matter I would like to ask you about—the filling up of Rock Creek and building a culvert over the stream. It is said that it will cost nothing, and that it is a matter of grading and improvement. What do you know about it?

Commissioner WEST. That proposition is eventually to do away with the open sewer now known as Rock Creek. In the park commission's plans, as submitted to Congress——

The CHAIRMAN. That belongs to the District Committee.

Commissioner WEST. In the park commission's plans Rock Creek was to be a beautiful driveway, lined with trees and vines and all that sort of thing, and for that reason nothing has ever been done

toward improving that locality. The idea embodied in this proposition which Colonel Livingston has called attention to is that the Commissioners be directed to have their civil engineer secure estimates and report to Congress next year the cost of constructing a tunnel of about 1,500 feet in length, which will divert the waters of Rock Creek and carry those waters underneath Georgetown, down toward the river, which would allow in time the filling up of the valley which now separates Georgetown and Washington, and making that all available ground for building purposes. It would also do away with the erection of bridges at the various intersecting streets.

The CHAIRMAN. But before you do away with the bridges you would have to do a world of filling, would you not?

Commissioner WEST. The filling would not be a very serious proposition, because the ground in that neighborhood, or a great deal of it, has got to be levelled down to make it available for building sites, and even now a very large part of that Rock Creek Valley, especially between the M Street Bridge and the P Street Bridge, has been filled in with ordinary dumping—ashes, dirt, refuse, and all that sort of thing—and I believe the filling would only be a matter of a comparatively short time. The original proposition was to get an appropriation of $5,000 in order to have borings and other tests made as to the cost of constructing this tunnel, but we have found that in our office we can do the work ourselves without an appropriation, and I think the persons interested in the construction of that tunnel simply want to have it in the bill so as to have an entering wedge for the future construction of the tunnel in case it is found to be feasible.

The CHAIRMAN. You are going ahead and making the investigation without an appropriation?

Commissioner WEST. Yes; we have already had an investigation made, but the figures having been questioned, we will revise them. But the difference between our making an investigation of our own volition and an investigation ordered by Congress is, as you will readily understand, that an investigation ordered by Congress and a report made in obedience to an order of Congress would give it a vitality for future appropriations.

Mr. BURKETT. You bet we know that.

Mr. UNDERWOOD. Does this bed of the stream belong to the District or to private owners?

Commissioner WEST. It belongs to private owners—neither to the District nor to the United States. Neither the District nor the United States has any right to the stream. The building lots run out into the stream and across on the other side. It is not public property in any sense.

The CHAIRMAN. It is not a navigable stream?

Commissioner WEST. No, sir.

Mr. LIVINGSTON. Would it improve the health of the District to put that underground?

Commissioner WEST. Unquestionably. The time must come when that valley of Rock Creek must be closed. All that water ought to be diverted underground and sent into the river. It is really now a large open sewer, and I am heartily in favor, after looking into the matter very thoroughly, of this project of tunneling under George-

town and taking that water into the river. The cost of that, I think, ought to be very largely assessed against the property owners benefited by it, because they will certainly be benefited by it, and the property will come into the market, whereas it is now without any value at all.

Mr. UNDERWOOD. They will get a large amount of additional property by taking the stream out?

Commissioner WEST. Yes.

Mr. LIVINGSTON. The bulk of the cost ought to be taken from the property owners.

Commissioner WEST. Yes; I think so.

Mr. BURKETT. You have not time to do that work up in your surveyor's office?

Commissioner WEST. I think we can do it.

MILITIA.

The CHAIRMAN. In this same document is another item, "For District of Columbia rifle practice, 1898, $250." That is an old one. Why has that not been paid?

Commissioner WEST. I can not answer that, Mr. Chairman.

The CHAIRMAN. Will you find out what the trouble is?

Commissioner WEST. This is one of the items that I am not personally familiar with. This item is submitted to pay the National Rifle Association the amount due for rifle range rented by the District militia in 1898, at an annual rental of $1,000. The item for that year for expenses of rifle practice and matches amounted to $3,600, carried on the District of Columbia appropriation act approved March 3, 1897, for the fiscal year 1898. Before the rent for the quarter ending June 30, 1898, became due the full amount of the appropriation of $3,600 had been expended in consequence of circumstances due to the war with Spain, and hence the rent was not paid.

Mr. LIVINGSTON. My recollection is that we have handled that once or twice before—the same thing?

Commissioner WEST. It has been submitted once before, to my knowledge.

STATEMENT OF GEN. GEORGE H. HARRIES, GENERAL COMMANDING.

General HARRIES. Mr. Chairman, the first item in the bill, on page 34, was an altogether unexpected item. The Navy Department decided to take away the old *Fern*, a comparatively useless wooden ship, and to equip the Naval Battalion here with a first-class coast-defense ship, and so they gave us the *Puritan*. We were directed to send our men over to Philadelphia and to take the *Puritan* from the League Island Navy-Yard and bring her here. We did that with a captain of the Navy, and I think he had three naval officers with him. We expected that if such a ship was given to us it would be delivered here, but they decided that we should go over and get her, and that cost $544.43.

The item for purchase of coal in the next paragraph is, of course, an essential thing. The coal bill for the first year is $6,000. The

Navy Department gave us that statement. It cost that much to operate the engines and keep the water and steam in circulation. Certain of the engines have to be kept in motion all the time, and to move her for the quarterly inspection and to take her out for the annual cruise the coal bill will cost $6,000.

The CHAIRMAN. You have a naval militia?

General HARRIES. Yes, sir.

The CHAIRMAN. Which educates people for the Navy?

General HARRIES. Yes, sir.

The CHAIRMAN. Do we have that in the States?

General HARRIES. Yes, sir. Every seaboard State has a militia, and so have Illinois and Minnesota, and any State that has a water front has a naval militia to-day.

The CHAIRMAN. You have had this appropriation heretofore?

General HARRIES. Yes, sir. This expenditure for coal is in excess, because we only had a wooden ship in place of a first-class coast-defense ship.

The CHAIRMAN. They took away the wooden ship and furnished you with a better one?

General HARRIES. Yes, sir. It is really an educational school. We have a detail from the Navy of 24 men, who stand watch, and they are all men of high attainments, comparatively, and they are instructors for the Naval Militia.

The CHAIRMAN. How many men are there in your Naval Militia?

General HARRIES. Two hundred and sixty-five.

The CHAIRMAN. And the men detailed from the Navy educate your men here?

General HARRIES. Yes, sir; they are the instructors. I may say that the coal for the *Puritan* for the forthcoming year has been provided for by the Senate in the District appropriation bill, and this is to carry us until the 1st of July. I have just signed a requisition for an additional 200 tons. If she should freeze up, it would cost a couple of hundred thousand dollars to put her in condition again.

As to the item to pay the Metropolitan Cab Company for losses sustained by that company through death or injury to horses hired by it to the District militia for use during the annual encampment at Leesburg, Va., $599.50, those horses were hired for the light battery—the Field Artillery—and they went over the road both ways to Leesburg and return. One horse was kicked very badly. In all, four horses were put out of service during the period of that encampment. We used all the reasonable precautions. We had the regulation of camp sentinels on picket line, but in spite of that the injuries occurred to these horses. That is not an uncommon thing. It happens in every battery in the regular service.

The CHAIRMAN. How did you ascertain this amount?

General HARRIES. A board of officers was convened by order to take all the testimony and look into the entire proposition, and upon the report of that board these findings were reached. The amount is down to the minimum, and everything has been done by this board of officers to care for the interests of the Government.

FRIDAY, *February 17, 1905.*

NAVY DEPARTMENT.

STATEMENT OF MR. B. F. PETERS, CHIEF CLERK.

CONTINGENT EXPENSES.

The CHAIRMAN. Navy Department, contingent expenses, page 55. There you ask for $2,000.

Mr. PETERS. Yes, sir. We asked Mr. Henemway originally for $14,000, and had a deficiency last year of the same amount.

The CHAIRMAN. Well, that has nothing to do with the expenditure. Do you need that money?

Mr. PETERS. Yes, sir.

The CHAIRMAN. How much have you expended up to date this year?

Mr. PETERS. We have obligated about $9,800 of it so far.

The CHAIRMAN. How do you ascertain you will have a deficiency of $2,000?

Mr. PETERS. We had a balance on the 31st of December of $2,654.62 to run for the balance of the year.

The CHAIRMAN. Yes; but you had made your contracts for materials, had you not?

Mr. PETERS. Yes; we make our contracts "more or less," and we get supplies about quarterly. We try to have requisitions made for enough supplies to last us about a quarter, although our contracts were made for the entire year, and we pay as we receive the supplies.

The CHAIRMAN. And it will require $2,000 to see you out for the year, will it?

Mr. PETERS. Yes, sir. The Navy has been increasing generally, and the furniture, and particularly file cases, and repairs to furniture are increasing along with it each year.

Mr. LIVINGSTON. I see the item says, "For stationery, furniture, newspapers, plans, drawings, drawing materials, horses, and wagons," and so on. Do you have to have new horses and new wagons?

Mr. PETERS. We bought a mail wagon this year.

RENT.

The CHAIRMAN. If there are no further questions on that, gentlemen, we will go on to the next item—"Fireproof building: The Secretary of the Navy is authorized, in his discretion, to enter into a contract for the rent of a suitable fireproof building in Washington, D. C., for the use of the Navy Department, for a period not exceeding five years, at an annual rental of not exceeding $13,000," etc.

Mr. PETERS. Mr. Hemenway, while you are at the estimate for contingent expenses of the Navy Department, allow me to say that in the Mills Building you allowed us $500 a year for repairs and materials required in its maintenance. That $500 has been exhausted, and in allowing this $2,000 we would like to have inserted in the deficiency bill, after the words "of the fiscal year 1905," these words,

"two hundred dollars of which is hereby made available for repairs and materials required in the maintenance of the Mills Building."

The CHAIRMAN. You mean of that $2,000 you want $200 set aside?

Mr. PETERS. We want to have the privilege of using that if it is necessary.

The CHAIRMAN. You want $200 of it made available for that purpose?

Mr. PETERS. Yes; if it is necessary to do it. For instance, we had to put a new wire rope on the elevator train during the past year, and as we did not expect that, it put us a little behind.

Mr. LIVINGSTON. That is a mighty new building to be repaired already.

Mr. UNDERWOOD. Do they keep up the repairs?

Mr. PETERS. No, sir; we keep up the general repairs. That is part of the contract, and it was made when we got the appropriation for it.

Mr. LIVINGSTON. You pay the taxes?

Mr. PETERS. No, sir. The owner pays the taxes. We pay as rent 5 per cent of the cost of the building.

Mr. LIVINGSTON. Or what he said it cost?

Mr. PETERS. He showed us the bills, and had a certificate from the contractor as to the cost. The entire matter was explained to the committee at the time by Mr. Moody, as you will perhaps remember.

Mr. LIVINGSTON. Yes; I remember.

The CHAIRMAN. "Fireproof building"—what is that? "The Secretary of the Navy is authorized, in his discretion, to enter into a contract for the rent of a suitable fireproof building in Washington, District of Columbia, for the use of the Navy Department for a period not exceeding five years at an annual rental of not exceeding $13,000; and for the rent of such building for the last four months of the fiscal year 1905 and for the whole of the fiscal year 1906, at an annual rental not exceeding that heretofore specified, $17,333.34." What does he want to do with the building?

Mr. PETERS. All of the bureaus in the Navy Department have been complaining during the past year of not having enough room. They ask for more room. We have allotted all the rooms in the Mills Building proper. Since then the owner has built an addition to it, and that addition has about 40 per cent of the room or capacity that is furnished by the original building that we are now tenants of, and which we are now leasing.

The Marine Corps, at the time of the leasing of the Mills Building, was in the Bond Bulding, and their quarters are now very much crowded indeed, and they ask for more room, and we are not able to give it to them; and each of the bureaus in the Department has asked generally for more room in the last six months, but we have not been able to give it to them. Whether we are to rent the new addition to the Mills Building or not, the Secretary desired to leave it to the discretion of Congress.

The CHAIRMAN. This is not a deficiency item at all.

Mr. PETERS. No, sir. The building was just completed, and this was to pay for the rental of the addition for four months of this year and for the whole of the year following, at the rate of $13,000 a year.

The CHAIRMAN. What bill does this item usually go on?

Mr. COURTS. The legislative bill.

Mr. PETERS. Next year it will be on the legislative bill.

Mr. BURKETT. What do you pay for the whole building?

Mr. PETERS. Twenty-four thousand five hundred dollars.

Mr. BURKETT. This has about what proportionate amount of space as compared with the original building?

Mr. PETERS. It has about 40 per cent of the space. The rent is a little more, proportionately, because the building cost a little bit more money.

Mr. BURKETT. Forty per cent of the original building would be $9,800, and you want $13,000.

Mr. PETERS. Yes. You are going to question the chiefs of bureaus as to the rent of the building, and they can tell you how they are pushed for space. The Marine Corps, especially, is pushed for space, and so are other bureaus. They could get along for a year or two, but we would not have as good a chance of renting a building that would be as economical and as well fitted for the use of the Navy Department as the addition to the Mills Building would be.

Mr. LIVINGSTON. If that had not been built you would have been enabled to get along for a year or two without saying anything about it, would you not?

Mr. PETERS. I guess we would have had to get along for a year or two.

The CHAIRMAN. The next paragraph is for coal, gas, and electric lighting of said building, to continue available during the fiscal year 1906, $2,000.

Mr. PETERS. That is the same item.

The CHAIRMAN. The next after that is for repairs and materials required in the maintenance of said building, $300.

Mr. PETERS. That is the same item.

The CHAIRMAN. "For increase of pay of present assistant engineer of the Mills Building from $1,000 per annum to $1,200 per annum, $200."

Mr. PETERS. The same thing.

The CHAIRMAN (reading):

For the following from March first, nineteen hundred and five, to June thirtieth, nineteen hundred and six, inclusive, namely: One carpenter, at the rate of nine hundred dollars per annum; one fireman, at the rate of seven hundred and twenty dollars per annum; one elevator conductor, at the rate of seven hundred and twenty dollars per annum; one forecharwoman, at the rate of three hudred dollars per annum; and three charwomen, at the rate of two hundred and forty dollars per annum each; in all, four thousand four hundred and eighty dollars.

That is the same thing?

Mr. PETERS. Yes. On page 70 of the estimates, as they came from the Treasury Department, there is a communication from the Secretary of the Treasury explaining that.

The CHAIRMAN. We have that. Do you have the Naval Observatory?

Mr. PETERS. No, sir. Printing is the only other thing we have.

Mr. COURTS. That is at the bottom of page 141.

PRINTING AND BINDING.

The CHAIRMAN. "Printing and binding for the Navy Department,

to be executed under the direction of the Public Printer, $15,000." Do you have anything in addition to the note of the Secretary here?

Mr. PETERS. The note of the Secretary explains that pretty fully, Mr. Hemenway.

There is one other thing about the printing appropriation of the Navy Department: The contingent appropriation for the Bureau of Supplies and Accounts provides for printing blanks and books for general storekeepers and pay officers at navy-yards. There has been some printing paid for out of the contingent appropriation for the Naval Academy, and out of the contingent appropriation for the Naval War College there has been some printing and binding paid, and out of the "Increase of the Navy" there has been about $20,000 paid within the last year for printing and binding; and I would like to bring the matter to the attention of the committee. I would like to know whether it is the desire of the committee that all the printing should be paid for out of one fund, or whether they desire that it should be scattered, as it is now.

The CHAIRMAN. You have the right under the law to pay out of the several funds now?

Mr. PETERS. Yes, sir.

The CHAIRMAN. We will look into that, Mr. Peters.

Mr. UNDERWOOD. Mr. Peters, I notice here for 1904 you had $145,000, and you kept within the appropriation, and there was no deficit. How is it that this year you got $145,000 and need in addition $15,000? What occasion calls for that extra expenditure?

Mr. PETERS. The change in the method of transacting business in the Bureau of Supplies and Accounts costs about $18,000 for printing, and it will cost more for the balance of the year in the printing of blanks. The Bureau of Navigation this year has to have new Regulations printed, which cost about $4,000, and their Uniform Regulations costs another $1,000. The Government Printing Office, at the end of the last fiscal year, was said to have turned back into the Treasury $4,000, because they could not perform the work during the fiscal year for which it was appropriated, and they reported they would turn in $4,000. But I see they purchased material just before the close of the fiscal year, and the balance was thirteen hundred and some odd dollars.

Mr. UNDERWOOD. Was this due to a change in the form of printing by the Bureau of Supplies and Accounts, or was it a new method that they have of printing down there?

Mr. PETERS. It was a new method of sending out their proposals. They used to send out their proposals in a class for a yard. Now they send them out in sets for all yards, and that makes the proposals proportionately larger. Take all the yards on the Pacific coast, for instance, and they advertise for supplies and get out their proposals for the whole of them at one time.

Mr. BURKETT. Why does that cost more?

Mr. PETERS. Because there are so many persons applying for information who do not bid. When there is a large amount of material or supplies to be purchased there are so many more people asking for the proposals, and they have to send them to them, of course—to every person who applies.

Mr. VAN VOORHIS. Where is the advantage to be gained by this new method?

Mr. PETERS. I do not know where the advantage to be gained is. I can not see where the advantage is myself. Perhaps the Paymaster-General can tell you when he comes here. The Secretary has just sent me a memorandum asking me whether the cost of changing the conditions would justify the change.

Mr. UNDERWOOD. Suppose we did not allow this deficiency, what position would you be in?

Mr. PETERS. We could not get along.

Mr. UNDERWOOD. Have you used up the money you have?

Mr. PETERS. Not all of it; but we would have to shut off the printing right now.

Mr. UNDERWOOD. You could not do any more this year?

Mr. PETERS. Not at the Government Printing Office. We could keep our branch office going, but any large jobs would have to be dropped.

FRIDAY, *February 17, 1905.*

NAVAL ESTABLISHMENT.

STATEMENTS OF BRIG. GEN. GEORGE F. ELLIOTT, COMMANDANT U. S. MARINE CORPS, AND MAJ. CHARLES L. McCAWLEY, ASSISTANT, U. S. MARINE CORPS.

MARINE CORPS.

CONTINGENT EXPENSES.

Mr. VAN VOORHIS. Gentlemen, on page 64 of the bill you seem to have a deficiency in your contingent fund of $50,000. What have you to say in explanation of that?

Major MCCAWLEY. Mr. Chairman, that is thoroughly explained in the letter of the quartermaster of the corps, under date of December 16, 1904, which, I notice, was published in the Congressional Record of this morning. The various subheads of that I would be very happy to read if you care to hear them.

Mr. VAN VOORHIS. If you can give us any additional information, we will be glad.

Major MCCAWLEY. The facts are about these: It is almost impossible at the beginning of the year to estimate accurately under the head of "Contingent." The very nature of the appropriation itself indicates an unusual thing, and a number of instances occurred during the year when troops were ordered suddenly on foreign service, and new stations were established, and additional money had to be expended. These could not be anticipated at the time the estimates were submitted, and the money had to be expended to carry out the orders of the Secretary of the Navy. At the present time we have only $14,000 left in that appropriation, with bills for six months yet to run. Our fixed expenses are about $8,000 a month—that is, expenses due to water, gas, electricity, and things that are well known—so that that would make about $48,000 actually necessary to carry us through,

leaving this $14,000 for incidental expenses which are cropping up every day.

Mr. VAN VOORHIS. What items go into this contingent fund?

General ELLIOTT. They are the housekeeping bills.

Major MCCAWLEY. They really are the housekeeping bills, for freight, carriage, tools, washing of bed covers, transportation of bodies of deceased soldiers, rent of telephones, purchase and repairs of typewriters, repairs of public wagons and horses, services of veterinaries, postage stamps, repairs to plumbing and steam heating, introducing gas, the introduction and maintenance of electric light—all the emergencies and extraordinary expenses of the corps arising at home and abroad. It is hardly possible to anticipate or classify them.

Mr. VAN VOORHIS. And for these items you draw upon this contingent fund?

Major MCCAWLEY. Yes, sir; it is an appropriation that we use for every expense that arises that is not covered by any other appropriation, and it is a difficult matter at the beginning of the year when the estimates are submitted to strictly say what the exact amount will be. I think the amount asked for, sir, is a rather small one, considering the unusual expenses that have been met during the year.

General ELLIOTT. Mr. Chairman, we had 1,500 men pulled out unexpectedly last winter for Panama. We had a new station formed on the little island of Midway, where the cable lands. We have now at the present time 300 men gathered together at Guantanamo and San Juan and Culebra, in the West Indies—all sent there unexpectedly.

Mr. LIVINGSTON. Gathered there?

Major MCCAWLEY. Scattered at those points.

General ELLIOTT. Yes; they are there in garrisons. When we had 1,500 men ordered to Panama it cost $3,000 of unexpended money. We did not lose a single man by death, although not all of them remained there. Four hundred and fifty remained. After four months we took away all but 450. But that material that was used down there is not worn out yet. We still have cots and mosquito netting. Then we had to carry water to them, and it required engines and teams. It is necessary to have fresh water there to live—to drink, to bathe, and to keep the skin clean. These things were unexpected, and our corps is obliged in forty-eight hours to go where needed. If men have to be shipped we can put our men at Norfolk, for example, in forty-eight hours, equipped for a year.

Major MCCAWLEY. But we have to spend money to do that.

General ELLIOTT. We have to have money to do that; yes. We do not intend to waste it. The appropriation would be turned back into the Treasury if we did not expend it. We would not expend it unless it was called for.

Mr. LIVINGSTON. You see, for the year 1903 you used $127,700. In the next year you went more than $104,000 over that, and then for this year you go to $210,000, including your deficit here that you ask for. Now, that is an enormous increase, of over $100,000 in one year. That comes from the Panama business?

General ELLIOTT. We have increased the number of men.

Major MCCAWLEY. The Corps has been increased. It has been increased since 1897, when we had 2,500 men, until now when we have over 7,500 men. That is a large increase.

The CHAIRMAN. What is the limit? To what extent can you increase the Marine Corps?

Major MCCAWLEY. We are up to our limit at the present time.

General ELLIOTT. The law allows 7,532 men.

Mr. UNDERWOOD. The present naval bill proposes to give you a further increase?

Major MCCAWLEY. Yes, sir.

General ELLIOTT. Yes, sir; we could not man the new ships without 200 more men. We could not furnish the guards for them.

Major MCCAWLEY. These new ships going in commission will require marine guards.

Mr. LIVINGSTON. What are you going to require at Santo Domingo?

General ELLIOTT. We leave that to the Senate and to Congress. We do not fool with that. We do not touch it.

Mr. LIVINGSTON. I thought you had to follow that.

General ELLIOTT. No, sir. We do just what you say. We leave that right here.

FUEL.

The CHAIRMAN. "Fuel: For heating barracks and quarters, for ranges and stoves for cooking," etc., you ask $4,114.61.

Major MCCAWLEY. That is explained in the letter of the quartermaster, dated January 17, 1905, in which he states that this is a reimbursement to the Navy for coal for the marine corps in the Philippine Islands, Guam, and San Juan, P. R., and also to meet the necessities of the service in connection with three new posts suddenly established about that time at Charleston, S. C., New Orleans, La., and on the Midway Island. This was not anticipated or taken into consideration when the original estimates were submitted, and a deficiency therefore resulted.

The CHAIRMAN. This is for 1904. The Navy furnished you this coal, and this item is to reimburse the Navy for that coal? Is that it?

General ELLIOTT. Yes; they furnished it.

The CHAIRMAN. Is not that bookkeeping again?

Major MCCAWLEY. The Navy gave us this coal, sir, and we have to pay them back for it.

Mr. LIVINGSTON. You mean you borrowed the coal?

Major MCCAWLEY. Yes, sir.

Mr. LIVINGSTON. You could not do it in any other way?

Major MCCAWLEY. No, sir. It is fixed to the cent, you see. This is actually to meet vouchers on hand.

Mr. BURKETT. If you get this money, what will you do with it?

Major MCCAWLEY. We will turn back to the Navy what we owe to the Navy, and the rest we will pay to the private contractors for that which was furnished at Charleston and Midway Islands.

Mr. BURKETT. What will the Navy do?

Major MCCAWLEY. I suppose they will buy new coal.

Mr. BURKETT. Do not their appropriations run from year to year? They have already bought the coal, and now what do they want with this money?

Major MCCAWLEY. I presume it is a system of bookkeeping. We buy or borrow supplies from both the Army and the Navy, and have to pay them back.

Mr. BURKETT. We do not want money to be floating around here that nobody knows where it will go.

Major MCCAWLEY. It is a matter of bookkeeping strictly, I should say.

Mr. LIVINGSTON. I am rather like the gentleman from Nebraska, in that I would like to know where does the money stop? Where does it hit the bottom?

General ELLIOTT. Really the Navy would take that same money and buy more coal. It is giving them so much more money than they have been supplied with. But it is a small drop in the bucket—what we use is but a small drop in the bucket. You can not run a ship with it.

The CHAIRMAN. This money does go into the Treasury unless they have unsettled accounts for the year 1904. They could apply it to unsettled accounts for 1904. Otherwise it would go back into the Treasury?

Mr. COURTS. Within two years they can liquidate contracts of the year for which the appropriation was made.

MILITARY STORES.

The CHAIRMAN. The next item is on page 65, for military stores, $20,000.

Major MCCAWLEY. The quartermaster again, in his letter of January 17, 1905, explains that by saying that this sum was used in connection with fitting our field service battalions on the Isthmus of Panama and at Guantanamo, and a regiment organized for service at Olongapo, P. I. Those were hurry orders, and equipments had to be provided for those troops in the nature of tentage, field conveniences for cooking food and also for baking bread, and all the necessary field equipment. The appropriations had to be drawn upon, and they were not sufficient. These demands, as I say, were unexpected.

The CHAIRMAN. What amount have you of the appropriation for the fiscal year now?

Major MCCAWLEY. One hundred and ten thousand eight hundred and ninety-five dollars was the amount of the appropriation for the year 1904.

The CHAIRMAN. I know that was the appropriation, but what is the unexpended balance?

Major MCCAWLEY. That I am unable to tell you, sir, at the present moment.

Mr. UNDERWOOD. Did we not in the deficiency bill last year, Major, make an allowance for these hurry orders to Panama?

Major MCCAWLEY. There have been two hurry orders for Panama. One when General Elliott took down a brigade a year ago last December, and after his departure another battalion was ordered there for permanent service, and another battalion was ordered at Guantanamo.

Mr. UNDERWOOD. I understood there were two occasions.

Major MCCAWLEY. Yes, sir; there were two occasions. It was the same way at Guantanamo. One was sent, and now another has been sent to the Philippines. The strength is maintained at 1,200 men for immediate service, and those men are held in readiness for that service, and the stores must be provided for them; otherwise they would not be ready.

The CHAIRMAN. If there are no further questions on that item, we will proceed to the next: "For construction and completion of marine barracks and one set of officers' quarters, naval station, New Orleans, Louisiana, eleven thousand dollars, which sum shall be in addition to the fifteen thousand dollars appropriated for this object in the naval appropriation act approved March third, nineteen hundred and one, and six thousand five hundred dollars in the naval appropriation act approved April twenty-seventh, nineteen hundred and four." You seem to have had first an appropriation of $15,000 and then one of $6,500. Why were not the barracks and quarters built? Or have you built them at all or commenced them?

General ELLIOTT. Contractors will not bid. We have done our best to get bids for this money. We wanted to spend it in New Orleans, but the contractors say they can not do it. Now we are trying in this portable house business to see if they can do it.

Major MCCAWLEY. If you wish a further explanation, I can make a brief one. We have tried to get bids for these quarters, but we can not get them. The estimate asked for shows we are $11,000 short now.

General ELLIOTT. We thought we could build, but they ask more money in New Orleans than they would ask in the North.

Major MCCAWLEY. Prices have gone up.

General ELLIOTT. Yes, and materials and workmanship also. This deficiency is for one-fifth of the number of men in the entire Navy. The deficiency we have asked for here is for more than one-fifth of the entire enlisted force of the Navy.

Mr. UNDERWOOD. That is, the number of men you have to take care of amounts to that?

General ELLIOTT. Yes; to more than that.

FRIDAY, *February 17, 1905.*

BUREAU OF NAVIGATION.

STATEMENT OF CAPT. J. E. PILLSBURY, ASSISTANT TO CHIEF OF BUREAU OF NAVIGATION, ACCOMPANIED BY MR. EDWARD W. CALLAHAN, CHIEF CLERK.

TRANSPORTATION.

The CHAIRMAN. Captain, on page 66, under the head of "Bureau of Navigation," for transportation you ask a deficiency for 1905 of $65,000. Please explain to the committee the necessity for the deficiency, and how it was brought about.

Captain PILLSBURY. That is for 1905?

The CHAIRMAN. Yes.

Captain PILLSBURY. When the estimates under this appropriation for 1905 were first prepared, the Bureau considered that the sum of $287,858 would be sufficient for the purpose of transportation. Later in the year Congress was requested to increase this amount, but the Bureau's estimate was finally reduced, and an appropriation of $254,000 was allowed.

The amount which will be expended for transportation during the fiscal year 1904, when all the accounts are settled, will have been about $290,000, that expenditure being based upon the limit of 28,000 men, exclusive of apprentices. Three thousand additional men having been allowed by Congress for the current fiscal year, an increase of over 10 per cent above the amount of the previous year will therefore be necessary, and it is estimated that a deficiency of a little less than $65,000 will occur. The Bureau accordingly has placed the estimate of the deficiency at that amount.

It is impossible to foresee with accuracy what the exact amount will be. It will depend upon the amount of transportation we will have to have up and down the coast and across the continent. The terms of enlistment of the crews of a battle ship and two cruisers on the Asiatic Station will expire soon, and we must transport the new men there by the 1st of July, which involves the transportation across the continent of all those who are not enlisted on the Pacific coast and are necessary to fill the complements.

The CHAIRMAN. As the terms expire of the men out on the ships you allow them to come home?

Captain PILLSBURY. Yes. By law we have to transport them to the point where they enlisted.

The CHAIRMAN. And then you fill their places by other men whom you send out?

Captain PILLSBURY. Yes, sir.

The CHAIRMAN. What balance have you now in the appropriation for the fiscal year 1905?

Mr. CALLAHAN. I think we have about $100,000, but it is impossible to tell what the actual balance is. There may be a great many charges that will come in later—for instance, the cost of transportation of men across the continent—and in such cases the transcontinental roads sometimes do not render their bills for two or three months.

The CHAIRMAN. You had $100,000 on the 1st of this month?

Mr. CALLAHAN. On the first of this year. That was what was shown by the paymaster's balance sheet rendered to us. The best way to calculate it, sir, is on the amount of money that has been expended in the former fiscal year, 1904, and then allow for 3,000 additional men. It will cost so much more in that proportion.

Mr. UNDERWOOD. Were these 3,000 additional men allowed in addition to what the present naval bill carries?

Captain PILLSBURY. Yes; they have already been allowed.

MAINTENANCE OF COLLIERS.

The CHAIRMAN. On page 67, under "Maintenance of colliers," you ask for $168,480.

Captain PILLSBURY. Yes, sir. When the estimates for the maintenance of colliers during the year 1905 were made up it was supposed that a number of colliers would be manned by naval officers and crews, but as time went on we found in the Bureau of Navigation that it was impossible to accomplish this. We put in commission the *Abarenda* and the *Cæsar*, and we have been obliged to put the *Abarenda* out of commission and turn her over to a merchant crew again. That is entirely owing to the deficiency of officers. When this appropriation

was made, the estimate was $224,604. The estimated deficiency for the five additional colliers that we have been obliged to have under merchant crews is provided for by that $168,000.

The CHAIRMAN. In other words, you have had to employ civilian crews and officers?

Captain PILLSBURY. Yes; whereas we anticipated having naval officers to do the work.

The CHAIRMAN. Why could not the naval officers do it?

Captain PILLSBURY. Because we are so shorthanded. Every man-of-war, battle ships included, is short of officers in their personnel—every one.

The CHAIRMAN. What provision has been made for the future?

Captain PILLSBURY. You are making larger classes in the Naval Academy, by which each Congressman has two midshipmen in four years instead of one in six years. But we get no relief from that immediately. We have a class that has just graduated, numbering 114 midshipmen, and they are distributed, but for another year they would not be fitted to take their places on the deck even of a small ship. Their education is still going on at sea.

Mr. LIVINGSTON. What number of men have you in Washington, D. C.?

Captain PILLSBURY. Well, sir, I could not tell you offhand as to that. The Naval Register shows it. I really could not tell you; but they have been cut down in Washington really below the needs. The number of officers on shore has been very much reduced because we want them and have to have them afloat. The Naval Academy is really the only place which may be said to be most complete, so far as instructors are concerned, but they are short there in other ways as to their actual needs. That is to say, the class sections under instruction are very much greater or larger than they ever were before, and simply because of the shortage of officers for instruction.

Mr. LIVINGSTON. Are there no private academies from which you could draw?

Captain PILLSBURY. Instructors? Oh, yes. We would be much pleased to have them, too. Of course many of the branches at the Naval Academy could not be taught by civilians, and in all branches some naval officers are required as instructors simply on account of the military discipline, which is as necessary in the section rooms as it is on board ship. But we would like to have additional civilian instructors very much. Of this last class that graduated we have still retained eight or ten as instructors of the newcomers for the rest of the fiscal year, so as to help out in the instruction branch.

Mr. LIVINGSTON. Each Congressman gets two cadets at the Naval Academy each year or every other year?

Captain PILLSBURY. No, sir; the new law provides that two shall be at the Naval Academy from each Congressional district; two for each Congressman and each Senator.

The CHAIRMAN. They get an appointment every two years instead of every four years?

Captain PILLSBURY. Formerly there was one at the Academy every six years. Then it was changed to one in four years, and now it is one in two years, so that two are permitted to be there for the academic course of four years.

The CHAIRMAN. Each district, then, before the term expires, has three, whereas formerly it had one?

Captain PILLSBURY. Yes; formerly it had one during the term of six years.

The CHAIRMAN. How do you ascertain this deficiency?

Captain PILLSBURY. We have two classes of colliers, first and second rates. The *Ajax*, for example, is a first-rate collier. It is necessary to have about $34,500 for her running expenses during the year. There are five colliers with merchant crews in excess of what we expected, making in all a deficiency of $168,000.

NAVAL WAR COLLEGE.

The CHAIRMAN. On the Naval War College you have an item of $2,500.

Captain PILLSBURY. Yes, sir.

The CHAIRMAN. "For maintenance of Naval War College at Coasters Harbor Island and care of ground for same."

Captain PILLSBURY. Formerly the War College had grounds of about 3 acres only, where the building itself stood, 100 feet to the rear and about 40 feet in front. The rest of it was in charge of the Training Station. It was concluded that the War College should have more, so that a board was appointed and the Secretary gave order that an additional part of the ground should be allotted to the War College. They require a part of this money to pay for the care of this.

Another item is the new library extension, for which Congress appropriated the money some years ago. The money was not available, or at least there is no money available for heating and lighting, and for final preparation of the building for actual use. That is another item included in the deficiency estimate.

The third item is for printing and binding the discussions on the international law situations. Those discussions go on every year, and they are questions of great interest and value to all naval officers, because naval officers are required to know more or less of international law in dealing with foreign situations. The cost of printing the discussions of last year would be $1,200, and it is all ready now for the printer.

The CHAIRMAN. Has it been printed heretofore?

Captain PILLSBURY. Yes; always heretofore, but under the appropriations for the Navy Department printing. That appropriation is short, and the chief clerk of the Department said the printing of this document must come out of the War College appropriation. That appropriation, however, has been used only and is necessary for the maintenance of the War College and certain things that require all that money.

The CHAIRMAN. What is this discussion?

Captain PILLSBURY. All sorts of international law problems come up for discussion. There is a lecturer on international law there in the summer, and they make hypothetical or take actual problems that are recurring every little while on questions of international law. This present war between Japan and Russia is bringing up very many subjects—for example, the subject of seizures of vessels, and what is contraband, and what the Russians are doing, and how they are acting as regards contraband; all these questions are discussed

at the War College. For the information of the service it is quite important that these discussions should be put in a state to issue them—that is, that the discussions should be printed and bound for distribution.

The CHAIRMAN. That is $1,200 in this item?

Captain PILLSBURY. Yes, sir.

OVERCROWDED CONDITION OF OFFICES.

Mr. UNDERWOOD. I would like to ask, Mr. Chairman, about some other items that were gone into a while ago. What is the condition of the room space down in the Navy Department so far as the clerks and working force of your office are concerned?

Captain PILLSBURY. Well, sir, the condition is something that is really lamentable. In the Bureau of Navigation, with the increase in the number of men that is taking place—3,000 this year and 3,000 last year—and the new enlistment records coming in, which of course have to be filed away, we are very much crowded. We have file cases that are on the floor for want of space to put them on the walls. All the money that is available has been expended, and all the space that can well be allotted to file cases has been exhausted. There is no room for extension on the floor of the Bureau of Navigation, and the only thing we would like to do would be to find more room in some other part of the building; that is to say, in the Mills Building, where it is entirely new, and where there would be room if the new wing were leased. There is no place now in the Navy Department where we can expand.

Mr. UNDERWOOD. Is that the condition of the other bureaus? Do you know?

Captain PILLSBURY. I am not so familiar with the others; but take, for example, the files of the enlisted men. Dead files before 1898 and 1899 have been put down below. If a man reenlists, of course we have to get his jacket up, and to overhaul the dead files for his "jacket" really takes the time of the clerk—more time than it should—just to hunt up those files; and then you can see when you take out dead record of the file cases to carry down below you leave an unequal space in the cases, so that unless you readjust the whole lot you do not know where you do stand.

Mr. UNDERWOOD. Do you know what the floor space is in the Bureau of Navigation and how many clerks there are in that space?

Mr. CALLAHAN. We have 65 clerks. There are 10 rooms on our floor, and one quite large room where the clerks work, and in that there are about six clerks.

Mr. UNDERWOOD. Are the six clerks in the large room included in the 65?

Mr. CALLAHAN. Yes, sir.

Captain PILLSBURY. I should say that we have on an average in a room two-thirds or half the size of this room about four clerks. In the enlisted men's division it is not so much the floor space for the clerks that is needed as wall space for the records, to which the clerks must constantly refer.

Mr. CALLAHAN. In one room we have six clerks. It is very badly crowded.

PRINTING AND BINDING.

Mr. UNDERWOOD. There is another item I wanted to ask you about. There is a deficiency here for printing in the Navy Department. I understand it is due to a change in the method of letting out bids. Does that come under your consideration?

Captain PILLSBURY. No, sir; that is under Mr. Peters, the chief clerk.

Mr. UNDERWOOD. He explained it, but I wanted to know if you knew whether the benefits of the change of the plans justified the change?

Captain PILLSBURY. When we want a thing printed—as, for instance, the Naval Regulations—we put in a requisition, and that requisition is either allowed or disallowed. We have as much printing as any other bureau, because our bureau relates to the personnel. I presume we have more printing, perhaps, than any other bureau. I should say a good bit more. Any general order that goes to the service has to be printed by the Bureau of Navigation; at least it must be upon its requisition. I know, at least, that the printing appropriation seems always short, and that is illustrated in this case of printing the international law situations. That is an example of the condition.

Mr. UNDERWOOD. It seems in the Bureau of Supplies and Accounts they have changed their method of making proposals, which change has largely increased the cost; and I simply wanted to know whether the change would justify the increase of cost, if that came under your observation.

Mr. CALLAHAN. They have made a new form—they did so at the beginning of the year.

Captain PILLSBURY. You mean the printing of proposals? I think it is a great hamper to the work, and no civil establishment would submit to it for a second. If you want boiler tubes, for example, or almost anything, unless the emergency is very, very great, they must be advertised for; and of course that printing amounts to a great deal. I might illustrate by saying that a tug that was known to be wanting in repairs to her boiler for several months, but which could not be spared from Porto Rico, came north and arrived at the Norfolk yard in July. The material had to be purchased and it was advertised for by this method and the material was not delivered until December. No private establishment in the world could be carried on by any system like that.

Mr. UNDERWOOD. And the tug was tied up all that time?

Captain PILLSBURY. Yes; and she is tied up still, and will not be ready until the 1st of May.

FRIDAY, *February 17, 1905.*

STATEMENT OF REAR-ADMIRAL N. E. MASON, CHIEF BUREAU OF ORDNANCE, NAVY DEPARTMENT.

BUREAU OF ORDNANCE.

The CHAIRMAN. Admiral, under Bureau of Ordnance, you have an item on page 67 for ordnance and ordnance stores, to supply a deficiency in the appropriation, $500,000.

Admiral MASON. Yes, sir.

The CHAIRMAN. Please explain the necessity for this deficiency.

Admiral MASON. In addition to the letter which accompanied the deficiency estimate from the Navy Department, dated December 10, 1904, I can state briefly that this appropriation for ordnance and ordnance stores covers all the general expenses of the Ordnance Department of the Navy except those for new vessels under construction. It includes all the expenses incident to the care, preservation, repair, and improvement of the ordnance on all completed vessels; the cost of renewing all worn-out parts, including expenses for both labor and material necessary; all ammunition for target practice and reserve supply; all ordnance work, except for vessels under construction, and all navy-yards and stations and the renewing of tools, etc. It is the appropriation upon which depends the efficiency of the guns and torpedoes of the vessels of the Navy actually in service, and their proper care, repair, and replacement while in reserve.

Then, in addition to the reason mentioned in the letter that I speak of, the accident on the *Missouri* showed the necessity for a device for expelling the gases remaining in turret guns after firing. The Bureau of Ordnance is now preparing, and in fact is starting to install such a device in the turrets of all battle ships and cruisers now in the service, in addition, of course, to putting the same device on all new vessels, which comes under another appropriation.

The CHAIRMAN. What will be the cost of installing the new device?

Admiral MASON. The cost on one or two has been quite excessive, $8,000 or $10,000 each, in finishing, experimenting, etc. I think later the cost will be from $5,000 to $6,000.

The CHAIRMAN. Whose device is that? Does it belong to the Government?

Admiral MASON. Yes, sir. It is a device for supplying compressed air. We use an electric air compressor, about the same as they use on the street-railway lines; that is, on the air brakes. That is led in pipes around to the gun, and as the block—the breechblock—opens this air comes in through holes bored in the breech of the gun in front of the block, so that the air does its work before the plug comes out of the gun; that is, before it is swung out of the way.

The CHAIRMAN. How much of this deficiency does that item represent?

Admiral MASON. That I could not tell without figuring it. I should have to figure that out in order to make sure. This memorandum I made simply to show the different reasons for this deficiency.

The CHAIRMAN. What we want to get at is the different items going to make this aggregate sum. You estimated for $2,000,000 for the present fiscal year, and $2,000,000 was appropriated. Now, we want you to specify, as near as you can, the items that make up this deficiency of $500,000.

Admiral MASON. Yes. I stopped right there before completing my explanation. There are quite a number of other things here proposed. I had better go on and give you the whole of it.

The CHAIRMAN. Yes; go on.

Admiral MASON. The type of smokeless powder now in use in the Navy having been in actual service for about six years, it is considered necessary to test all the older lots to determine what changes, if any,

have taken place. This powder, of course, dries out in the service. This is deemed necessary, not only as a precautionary measure in case its character may have changed to such an extent as to render it dangerous, but for the purpose of gaining additional knowledge as to the character of such changes, in order that steps may be taken to guard against them in the future.

This work is now being carried out. I do not think it was estimated for when these estimates were made. Of course, as I was not in the Bureau of Ordnance at that time, but have been in it only since August 3 last, I do not know exactly what they based the estimate upon, except that they were probably the same amounts that had been appropriated for the year previous.

The CHAIRMAN. They increased it $500,000 for the year before.

Admiral MASON. Yes, sir.

The CHAIRMAN. I would call your attention now to the fact that if this appropriation is made it will increase to a million dollars the appropriation over and above that of the year before—a two-fifths increase. Now, in 1903 you had $1,300,000 in all, and in 1904 $1,500,000. We gave you for this year, 1905, $2,000,000, and you ask for a deficiency of $500,000.

Admiral MASON. Yes, sir. I have asked for a larger appropriation still for next year. The Navy is increasing rapidly, and there are a number of other things here which together amount to a good deal. For instance, the continued firing of high-powered guns has developed the fact that the rotating bands of the shell are not suitable for the greatly increased muzzle velocity obtained, so that a large proportion of these projectiles will have to be rebanded. Some of this work is now under way.

Then, the improvements in gun sights, mounts, firing attachments, etc., that have been proven necessary by target practice are being made now on the vessels completed and in service, and the work performed in this line is one of the principal causes of the present deficiency.

All the guns that have been completed prior to now had the old plain sights. That is an open sight, as we called them, and in most of them they had only a sight on one side for the gun pointer, who had to look out for the gun both in elevation and in crane. As soon as they commenced to have target firing, practice fire, to increase the accuracy of the firing they found that it became necessary to have telescopic sights. It is on one side of the gun. Then afterwards it was found necessary to put telescopic sights on both sides of the gun, so that the gun could be kept trained on the target by one man, while the elevation of the gun and the firing of it could be attended to by another man. These sights are very expensive, and the change of the mounts so that the guns could be elevated on one side and trained on the other, together with other radical changes, necessitating in some cases the calling back and turning in of a good deal of the gear which was used in elevating and training the guns, has involved considerable expense.

A rough estimate made some time ago was that in order to make these changes for all the guns in the service it would take over a million dollars, or perhaps $1,500,000, or $1,200,000. I found that they had commenced working on it when I took charge of the Bureau of Ordnance, and we have been working at it ever since; but although

that is so, it has not been completed by any means, and probably will not be until along toward the end of the next fiscal year. But up to this date alone that has cost quite a large portion of the deficiency appropriation estimated for here.

On overhauling and examining a number of the 5-meter torpedoes now in service it has been found that the interiors of the air flasks were corroding, and it becomes necessary to open, examine, and clean these flasks, and install new heads on account of the possible danger of their further use without examination, and also on account of the decided interference of the rust scales with the delicate portions of the torpedo engine and mechanism. This work is also in progress. These are steel flasks, which are filled with air at a pressure of about 1,300 pounds per square inch, and if they are badly rusted they may possibly become dangerous, for when they explode they are a good deal like a projectile. They should be examined and the rust gotten out, because it interferes very much with the running of the torpedo. This is another item which will cause a deficiency.

Of course still another cause for the deficiency is that the general increase of the Navy calls for a corresponding increase in this general ordnance maintenance appropriation, because the ordnance and ordnance stores in these lines were probably not considered in making up the estimate of the appropriation.

Mr. UNDERWOOD. I would like to ask as to these matters of testing guns, powder, and so forth, whether it is necessary to do it now, or between now and the 1st of July? Why was it not carried in the regular naval bill?

Admiral MASON. It is necessary to do it as rapidly as possible. The question has just come up in regard to the preparation for target practice in the North Atlantic Fleet, to take place along in the first part of April. A number of the charges on board of ships have probably been there for some time and will need retesting, so that it is necessary for us as soon as we get hold of a sample of this powder to retest it and change the weights of charges at the earliest possible moment.

Mr. UNDERWOOD. Were these questions taken up in the Naval Committee in the present bill?

Admiral MASON. I think so; not concerning the deficiency, but we asked for an increase of this same appropriation in the naval bill of this year—for this coming year.

The CHAIRMAN. What did they give you on this item on the naval bill this year? Have you a copy of the bill there?

Admiral MASON. No, I have not a copy. They asked for three and a half million dollars, and I think we got $3,000,000. There was at least $500,000 cut off, if I remember rightly, sir.

Mr. UNDERWOOD. Mr. Chairman, if it can be conveniently done, it would be well for the Admiral to file with the committee a specification of these different items as to how much each one increases the deficiency. Will you (addressing witness) let the committee have, in the next day or two, a statement of how much is needed for each one of those items to which you call attention, between now and the 1st of July?

Admiral MASON. I will attempt to send it in as nearly exact as possible. Of course to make an exact estimate will take some time.

The CHAIRMAN. Get it down by Monday or Tuesday of next week, please, and make it as accurate as practicable.

Admiral MASON. The condition of this appropriation, of course, as shown by the monthly report, indicates that the estimate of $500,000 is not at all high, because, now, I think, from February 1, by the report of the balance on hand, we will surely need it.

The CHAIRMAN. What did you have on hand on February 1?

Admiral MASON. There was on hand February 1, $646,779. There is an available balance of $490,115. The balance available at the present rate of expenditure should carry us to about April 10, but a safer estimate would be April 1, on account of the heavy transfers. At the present ratio of $193,000, about, per month, which is the ratio for five or six months, we require for the remaining five months of the year $966,000, which is but $23,525 less than the expected deficiency of $500,000.

Mr. BURKETT. If we did not make the appropriation you would have to stop making those bands and stop scraping off scales of rust, and so forth?

Admiral MASON. We would have to stop everything—practically stop work at the yards. That would wipe out the appropriation entirely.

Mr. BURKETT. Now, you see, when you came before the committee you said it would take so much to run a certain branch of the service. Congress decided how much it would give you under this branch of the Government. Then you went out and hunted up something else to do, and contracted to do it, and incurred an expense, and now you come to Congress and ask Congress to pay the bill. Under such circumstances, what is the use of having Congress?

Admiral MASON. That places me in a delicate and embarrassing position.

Mr. BURKETT. I do not mean you personally at all, but I am speaking to you as a public officer.

Admiral MASON. These changes were necessary in order to keep the Navy up to the standard of other navies.

The CHAIRMAN. Who ordered this work to be done—the change of the guns and these new improvements to be put on? Under whose direction was this work undertaken?

Admiral MASON. My predecessor; but, as I understand, by the direction of the Secretary of the Navy.

The CHAIRMAN. In the statement you will send up, please advise us as to how much has been expended in these new improvements.

Admiral MASON. Yes, sir. I will give it in the statement.

OVERCROWDED CONDITION OF OFFICES.

Mr. UNDERWOOD. I would like to ask how many rooms you have in your Bureau in the Navy building?

Admiral MASON. Six rooms and an attic room, making seven.

Mr. UNDERWOOD. Is that a storage room?

Admiral MASON. It was a storage room, but I was compelled the other day to clear it out and put a computer in there. We cleared out a lot of old records and books that had been put there and sent them down to the navy-yard to the storage room which we have there in our ordnance shop. In addition to that, I asked for two or three

rooms over in the Mills Building for the use of some young officers that we have under instruction, and they gave me the use of one. It is assigned to us temporarily—a garret room over there; a small room opening on the court.

Mr. UNDERWOOD. How many people are doing work in these rooms?

Admiral MASON. I would have to stop to count up the clerks. I think it is 17 clerks, and 7 officers besides myself. Of those 7 officers, 5 of them are in one room and 2 are in another. I may say that the whole place, the Bureau of Ordnance, is very extremely crowded.

Mr. UNDERWOOD. How much floor space have you there? What is the size of those rooms?

Admiral MASON. My answer to that would have to be a guess at present, but I could furnish it to you later.

Mr. UNDERWOOD. You can see what I am trying to get at?

Admiral MASON. Yes. We have a printed circular or report covering that. I will make a memorandum of these things that I am to furnish.

Mr. UNDERWOOD. Let it include the floor space and the number of clerks and officers.

Admiral MASON. Yes.

Mr. UNDERWOOD. I judge you are in a crowded condition and need more room?

Admiral MASON. Extremely so. I am not prepared to say we are the worst crowded of all, but we are as crowded as can be.

Mr. LIVINGSTON. How near together are your clerks in that room?

Admiral MASON. They rub elbows, almost; and besides that, the files are in the same room.

Mr. LIVINGSTON. Rubbing elbows is not crowded.

Admiral MASON. It is for the efficient performance of their work, when they have to get up and consult the files.

Mr. UNDERWOOD. How much more room would you need to make things more efficient?

Admiral MASON. If I could have my way and make things as efficient as I would like them to be I should want at least four more rooms, because I do not think commissioned officers doing their duty—those that are heads of divisions—should be crowded in together. The assistant and other officers are so crowded that when people come in to talk with them about their duties, and contractors come in to ask questions about specifications, etc., one officer who is writing something important can not help but being disturbed by the conversation at the desk right next to him. So that, at the least, to make things efficient, I should have occasion for four additional rooms.

If you will allow me, in the memorandum I will submit I can elaborate on that still more. I was not prepared for that portion of it, although I have been over it lately. But I have so many other important things to look after that I could not answer exactly at this moment.

POWDER.

The CHAIRMAN. Here is an item, "To supply a deficiency in the appropriation 'Ordnance and ordnance stores' for the fiscal year ended June 30, 1901, $37,590." How did those accounts run over so long?

Admiral MASON. In the case of these powder bills, the companies submit several test samples before their powder is accepted. It must be sent to the proving grounds and fired and very carefully tested in a number of ways. They submitted test samples, but they were unable to obtain the correct granulation for the 10-inch powder, or powder for the large guns. It takes from four to six months after the powder is made to dry it properly for firing. Of course they can not manufacture offhand specially powder for a new type of gun. They must first make experiments as to the size of the grains. They manufacture several sizes which they think will fulfill the requirements, and these are made and then sent to the drying house and dried; and for the larger sizes it takes several months to get them in condition. Then the samples are taken to the proving grounds and fired, and the best size is selected, in case any of them do pass the requirements, and then the company goes to work and manufactures the powder in compliance with the requisition, which takes just so much longer.

In the case of these samples there appears to have been a rather new departure in the kind of powder required, and it took them a very long time to get a granulation that would pass the test. They had a number of rejections, running over several years in one case here, and finally they managed to get a proper granulation, and the powder was manufactured under the old order; and of course the deficiency comes up to pay for that, the appropriation having lapsed.

The CHAIRMAN. You knew that this powder passed the test in 1901, did you? This powder was furnished in 1901, was it?

Admiral MASON. It was ordered in 1901, but it was not furnished until long after that—long after that appropriation, so far as I know.

The CHAIRMAN. This is to pay for powder contracted for in 1901?

Admiral MASON. Yes, sir.

The CHAIRMAN. When did you actually get this powder delivered, if you know?

Admiral MASON. As these bills did not come in until very lately, it probably was not delivered until this fiscal year, or there would have been a claim for it last year.

The CHAIRMAN. Will you ascertain definitely about this item for powder in 1901. You see, that is a good while ago. Please ascertain why it is that this bill is just now in and advise us in a letter.

Admiral MASON. Yes. These bills were sent to us from the Bureau of Supplies and Accounts. That brought it to the attention of the Bureau, and they only came up just before this deficiency estimate was made. Of course, the Bureau of Ordnance had nothing to do with the payment of the bills; but the Bureau of Ordnance did accept the powder, and, so far as I remember, it was accepted after the close of the last fiscal year, so that there was no chance for a deficiency appropriation then. I will furnish all the information obtainable in a letter that I will send to you.

INCREASE OF THE NAVY.

The CHAIRMAN. On page 74 of the bill before you, under the heading of "Increase of the Navy," is an item for the hulls and outfits of vessels and steam machinery of vessels heretofore authorized, $7,000,000.

Admiral MASON. That is construction. My item is right directly under that.

ARMAMENT AND ARMOR.

The CHAIRMAN. "Toward the armament and armor, of domestic manufacture, for vessels authorized, $6,000,000." Is that it?

Admiral MASON. Yes, sir.

The CHAIRMAN. How does that occur?

Admiral MASON. The letter sent with the appropriation explains that deficiency as being caused by an underestimate in the probable time of the delivery required for the armor, and also for the armament for the ships under construction.

The CHAIRMAN. Have you anything to say in addition to the explanation given in the letter?

Admiral MASON. No, sir; I think that is enough, unless the committee would require me to go further.

The CHAIRMAN. I guess that explains it.

NAVY DEPARTMENT, BUREAU OF ORDNANCE,
Washington, D. C., February 20, 1905.

[Memorandum for chairman Committee on Appropriations, House of Representatives.]

SIR: In compliance with your verbal request of the 17th instant, I send herewith supplementary memoranda further explaining deficiencies in appropriations "Ordnance and ordnance stores;" also a memorandum showing the number of officers and employees on duty in the Bureau and the space occupied by them.

Should your committee desire further information in connection with the matters under discussion I will be pleased to furnish same.

Respectfully,

N. E. MASON,
Chief of Bureau of Ordnance.

NAVY DEPARTMENT, BUREAU OF ORDNANCE,
Washington, D. C., February 18, 1905.

[Memorandum for chairman Committee on Appropriations, House of Representatives, Washington, D. C., in regard to estimate of $500,000 deficiency under appropriation "Ordnance and ordnance stores."]

The expenses covered by this appropriation, as well as the reason for the deficiency, are generally set forth in my testimony before the Committee on Appropriations and in my letter to the committee accompanying the estimate.

During the present fiscal year circumstances have forced the Bureau to make expenditures that were not contemplated when the appropriation was made, so that it has been necessary each month to spend more than one-twelfth of the appropriation. Instead of spending each month this one-twelfth, amounting to $166,666.66⅔, it has been necessary to spend an average of $212,936.48 per month to February 1, 1905. If this rate of expenditure continues, there will be a deficiency of $555,238.76. The Bureau has asked for a deficiency appropriation of $500,000 only, and hopes by earnest endeavors to keep its expenses within this amount.

The unexpected drafts on this appropriation are, briefly, as follows:

1. Resighting guns and remodeling mounts. Up to three years ago the practice in our Navy, as well as in all foreign navies, was to fire the guns when the vessels were practically still in the water, at the end of the roll, and all gun mounts and sights were designed to meet that condition. Under this system firing was necessarily slow, and efforts to increase the rapidity of fire developed the "continuous-aim system," by which the gun is kept always aimed at the target and fired as quickly as loaded. This latter system has now been adopted by all foreign navies and by our own. Target practice under this system has shown that our mounts and sights must be materially modified to do efficient work, and the Bureau has taken up the matter of making these absolutely necessary modifications. About $150,000 has already been expended for this purpose, and $150,000 additional will be required to continue it during the current fiscal year. It is most important, in order that the efficiency of the vessels of our Navy does not fall behind that of foreign countries, that this work be carried on as rapidly as possible.

2. The accident to the *Iowa* and the wear discovered in the new high-powered guns, which if not corrected would soon render them useless, made absolutely neces-

sary experiments and tests to determine and prevent such occurrences. It has been possible to carry along these tests and experiments together, and $30,000 has already been expended in an effort to determine the causes and to design a remedy. About $10,000 additional is required during the present fiscal year to continue this work, which is absolutely neeessary to the safety of the crews handling these guns and the efficiency of the guns themselves.

3. The experiments above mentioned have shown the necessity for a different form of shell band to be used on the larger shell. A small amount has already been expended for this purpose, but about $10,000 will be required to continue it.

4. The accident on the *Missouri*. Some time before this accident it was discovered that inflammable gases remain in the bore of guns after firing them with smokeless powder, and that in large guns these gases become a source of danger. Designs were prepared and experiments made to determine the best method of freeing the guns from these gases. The accident to the *Missouri* emphasized in a terrible manner the immediate vital necessity for some method to be put in operation without delay. A satisfactory device has been found and it has already been installed on several battle ships. Similar devices have been ordered for all battle ships and are now being manufactured. About $60,000 has been expended so far this year for this work, and about $40,000 more will be required during the remainder of the year for this purpose. The Bureau can not, so long as it has any money available, discontinue work of this character necessary for the safety of the guns' crews in time of peace and absolutely vital to the efficiency of the ship should war unfortunately occur.

5. Overhauling 5-meter torpedoes. A number of these torpedoes have been in the service five years or more and the investigation of the loss of an abnormal number of these expensive weapons showed the necessity for the immediate overhauling and repair of all the older torpedoes in service. Otherwise they would soon become useless for war purposes and a cause of excessive loss to the Government in practice during peace. About $10,000 has so far been expended in overhauling these torpedoes, and the Bureau considers it absolutely necessary to the efficiency of these weapons on board ship to have them all overhauled as rapidly as possible. About $5,000 additional will be required to carry on this work during the remainder of the present fiscal year.

6. Retest of older lots of smokeless powder. Much of this powder has been in service over five years. It has been exposed to various climatic conditions, and experiments show that its ballistics have changed sufficiently to render the charges fixed five years ago not only unreliable but in some cases dangerous. It has therefore been necessary to retest this powder at the proving ground, Indianhead, Md., and to fix a new charge for each of the older indices. Twenty thousand dollars has been expended in this work, and about $10,000 additional will be required to carry it on during the remaining months of the fiscal year.

7. In addition to these extraordinary expenses, which can be closely estimated and for which no provision was made in the appropriation bill for the current fiscal year, the ordinary expenses of the Bureau have been greater than was anticipated. Three battle ships, viz., *Iowa*, *Indiana*, and *Kentucky* having finished cruises were given a thorough overhauling. Many of the smaller ships having been put out of commission to obtain crews for new vessels, and advantage was taken of the opportunity to put them in a thoroughly efficient condition for service, so that the general repair work, the expenses of which must be borne of this appropriation, has been in excess of that of any previous year.

8. The following is a summary of the extraordinary expenditures above mentioned:

(1) Resighting guns and remodeling mounts	$300,000
(2) Experiments to determine the cause of the accident to the two 8-inch guns of the *Iowa* and the excessive wear discovered in the new high-powered guns, and test of material designed to prevent a recurrence.	40,000
(3) Rebanding shell	10,000
(4) Experiments, tests, and manufacture of devices to prevent accidents similar to that on the *Missouri*	100,000
(5) Overhauling 5-meter torpedoes	15,000
(6) Retest of older lots of powder	30,000
Total	495,000

9. It will be seen from the above that the balance of this appropriation remaining available is only sufficient to cover the expenses under it to April 1, 1905, and that without a deficiency appropriation all work being carried on under it must be discontinued on April 1, 1905.

N. E. MASON,
Chief of Bureau of Ordnance.

NAVY DEPARTMENT, BUREAU OF ORDNANCE,
Washington, D. C., February 20, 1905.

[Memorandum explanatory of delays in bills for powder to cover which deficiency appropriations are asked for by the Bureau of Ordnance in House document No. 287, Fifty-eighth Congress, third session.]

Ordnance and ordnance stores, 1902–3.

Laflin & Rand Powder Company, 12.40-inch caliber smokeless powder (L. R. F. F. 1), 2,090 pounds, S. P. 374, at 70 cents per pound (Bureau requisition No. 46, September 4, 1902) $1,463.00

In December, 1902, the Laflin & Rand Powder Company submitted an experimental sample of the 12.40-inch caliber powder ordered under this requisition. This was found to be slow for the gun, and the company was advised to modify the die by reducing the thickness of walls.

The sample, for which this bill is rendered, was submitted for ballistic test in November, 1903, but was not accepted by the Bureau until May 23, 1904.

The delay was due in part to the fact that a considerable time is required to dry this caliber of powder and in part to the fact that the stress of work at the naval proving ground prevented its test at once when the sample was finally submitted.

Ordnance and ordnance stores, 1900–1901.

E. I. DuPont Company, 1,600 pounds 12.40-inch caliber smokeless powder (D. S. F. F. 1), at 70 cents per pound (Bureau requisition No. 168, March 14, 1901) $1,120.00

E. I. DuPont Company, 52,100 pounds 12.40-inch caliber smokeless powder (D. S. F. F. 1), at 70 cents per pound (Bureau requisition No. 168, March 14, 1901) 36,470.00

This ballistic sample and the lot which it represents were made to replace a lot of powder manufactured under this requisition and rejected by the Bureau in August, 1901.

A ballistic sample was submitted in March, 1904, but, upon test at the naval proving ground, was found to be not satisfactory, and in September, 1904, another ballistic sample was submitted. This sample, 1,600 pounds, together with the lot which it represented, 52,100 pounds, were accepted in October, 1904.

The interval from August, 1901, to March, 1904, was presumably used by the company in deciding upon the proper dimensions and form of grain and in drying the powder. The delay was undoubtedly excessive.

Ordnance and ordnance stores, 1899–1900.

E. I. DuPont Company, 14,886 pounds 5.40-inch caliber smokeless powder, at 80 cents per pound (Bureau requisition No. 232, June 14, 1900) $11,908.80

By reason of delay by the company the ballistic sample of this lot of powder was not submitted until November, 1903, and was then, upon proof, found to be unsatisfactory, and the company was requested to submit an additional sample in May, 1904, which was done. In June, 1904, the lot of powder for which this bill is rendered was accepted.

The delay from November, 1903, until May, 1904, was in a great measure due to the stress of work at the naval proving ground.

In the case of the bill under "Ordnance and ordnance stores, 1903," pending the time between the order and acceptance of the powder the appropriation had become deficient on account of the unexpectedly large foreign accounts found to be due.

In the case of the two bills under "Ordnance and ordnance stores, 1901," satisfactory results were not obtained and bills presented until the balance under the appropriation, which was more than sufficient to pay the same, had lapsed and been turned into the Treasury, the amount so turned in being $66,700.

Similar conditions apply to the bills under "Ordnance and ordnance stores, 1900," $29,000 of this appropriation having been turned into the Treasury.

N. E. MASON,
Chief of Bureau of Ordnance.

NAVY DEPARTMENT, BUREAU OF ORDNANCE,
Washington, D. C., February 18, 1905.

[Memorandum for chairman Committee on Appropriations, House of Representatives.]

Referring to the inquiry of yesterday while I was before your committee, as to the facilities of the Bureau for performing its work—i. e., number of persons (officers and employees) on duty and rooms occupied by them. I beg leave to call your attention to the Bureau's annual report to the Secretary of the Navy for the year 1904, pages 31 and 32, copy inclosed, which briefly gives the information desired, the conditions shown having, however, been slightly changed since the report was submitted, as follows:

(1) It has been found necessary to remove the engineer, draftsman, and computer from one of the regular office rooms to an attic storeroom, in order to relieve congestion. This room is at the top of the building and is most undesirable for regular occupation by anyone, being extremely hot in summer and likewise cold in winter.

(2) The Bureau has also acquired two small rooms in the attic of the Mills Building (Nos. 817 and 819), each about 10 feet square, No. 819 being practically uninhabitable, owing to the main chimney of the building passing up through it. No. 817 is occupied by three young officers under instruction.

(3) The number of officers has been increased by one, who will soon relieve an officer now on duty.

This summarizes as follows:

Number of rooms assigned to the Bureau	[a]8
Number of officers on duty	[b]14
Number of clerks	18
Number of draftsmen	4
Number of messengers and laborers	4
Total number of people occupying space under the Bureau	40

These are distributed as follows:

State, War, and Navy building:	
Room No. 566 (attic), engineer, draftsman and computer	1
Room No. 470, three officers and one clerk	4
Room No. 360, draftsmen	3
Room No. 362, six clerks and one messenger	7
Room No. 364, clerks	7
Room No. 368, chief clerk, one officer (on special duty), one messenger, and three clerks	6
Room No. 370, Chief of Bureau	1
Room No. 372, officers	6
Corridor, messengers and laborers	2
Mills Building:	
Room No. 817, officers under instruction	3
Room No. 819, not occupied.	
Total	40

FRIDAY, *February 17, 1905.*

STATEMENT OF REAR-ADMIRAL H. N. MANNEY, CHIEF BUREAU OF EQUIPMENT.

BUREAU OF EQUIPMENT.

CONTINGENT.

The CHAIRMAN. On pages 69 and 70 of the bill before you, you will find your item, Admiral, under "Bureau of Equipment," and "Con-

[a] Includes attic room in main building and two rooms in Mills Building, one of which is not used on account of heat.

[b] Includes an officer about to relieve one of the Bureau officers, and three young officers under instruction.

N. E. MASON,
Chief of Bureau of Ordnance.

tingent." Have you anything to offer, in addition to the note on page 70, in explanation of that deficiency of the $5,000 for 1904?

Admiral MANNEY. That is all there is, sir, to be said about it.

COMPLETING EQUIPMENT OF NEW VESSELS.

The CHAIRMAN. Have you anything to offer, in addition to the note on page 75, in explanation of the item of $100,000 toward the completion of the equipment of the new vessels authorized?

Admiral MANNEY. No, sir; that is the fact. There is a reason why that $900,000 which existed there should have been on hand, and that is that many of the manufactures for which it should have been used have been delayed. That is particularly the case with the manufacture of chains and anchors. A year ago there were something like thirteen of our newer vessels without cables or anchors. It was simply slow work at the Boston yard. They had not been able to keep up with the manufacture, and were at that time 11 miles of cables behind their orders. As the ships were launched—and I particularly recollect the case of the *West Virginia*, which was one of them—it became necessary to have the chains, and accordingly they were made by contract, and that brought a large expenditure in that year.

For the same reason large quantities of hemp were bought then. Hemp cables, increased labor, etc., took out of that $500,000 in the one year, and left them short. I was not in the Bureau the preceding year, and when I came I saw that something had to be done to catch up and that money was expended in that way; and as soon as I found out that there was going to be a deficiency I asked for it. There is nothing to be said beyond that.

OVERCROWDED CONDITION OF OFFICES.

Mr. UNDERWOOD. I intended to ask you about the rooms in your Bureau and the number of clerks you have there. There is a question here as to whether or not you are in a crowded condition.

Admiral MANNEY. We have in the Army and Navy Building 5 rooms. They are crowded. There are as many as 8 desks in a single room. The rooms are all crowded.

Mr. UNDERWOOD. How many clerks and officers—what force—have you working in those five rooms?

Admiral MANNEY. There are about fifteen officers and clerks, and that does not include stenographers and typewriters.

Mr. UNDERWOOD. I was trying to get at how many people were working in those rooms, to ascertain the crowded condition. Will you file a statement with the committee in the next few days showing the exact situation there?

Admiral MANNEY. I will send you an exact account.

Mr. LIVINGSTON. How many incapacitated clerks have you?

Admiral MANNEY. None, sir.

Mr. LIVINGSTON. They are all efficient?

Admiral MANNEY. They are all efficient, yes.

NAVY DEPARTMENT, BUREAU OF EQUIPMENT,
Washington, D. C., February 18, 1905.

SIR: In compliance with your verbal request the Bureau incloses herewith information relative to the number of occupants in the various rooms in the State, War, and Navy Department building and in the Mills Building, occupied by the Bureau of Equipment.

In addition to the list the Bureau has prepared blueprints, showing the dimensions of the rooms and location of the furniture in the rooms occupied by the Bureau of Equipment proper. The number of rooms occupied by the Hydrographic Office in the Mills Building is considerable, and, in the opinion of the Bureau, the time necessary to submit sketches showing dimensions of the rooms and the location of the furniture would be so great as to delay the forwarding of this information for some time should their preparation be undertaken.

Very respectfully,

H. N. MANNEY,
Chief of Bureau of Equipment.

The CHAIRMAN COMMITTEE ON APPROPRIATIONS,
House of Representative, Washington, D. C.

Rooms occupied by the Bureau of Equipment in State, War, and Navy Department building.

No. of room.	Occupants.	Dimensions.	Remarks.
378	Chief of Bureau	21 feet 6 inches by 18 feet 6 inches.	
374	Chief clerk of Bureau and 6 others.		In this room is located the correspondence files and records and the necessary force to maintain them.
376	4 officers and 2 clerks	27 feet 6 inches by 20 feet 6 inches.	Book cases and necessary desks and tables take up much of the floor space.
375	2 officers and 4 clerks and draftsmen.	20 feet 6 inches by 31 feet 6 inches.	
80	2 officers and at times several others engaged in taking instruction in compass work.	27 feet 6 inches by 30 feet 6 inches.	The floor space of this room is much occupied by instruments necessary for the duties of the compass office and by filing cases.
82	2 clerks		Several filing cases are also in this room.
84	3 clerks		Do.
075	No occupants; storeage		In subbasement, and totally inadequate and unsuited for the purpose. No ventilation.

Rooms occupied by the Bureau of Equipment in the Mills Building.

No. of room.	Occupants.	Dimensions.	Remarks.
809	1 to 2	16 feet by 19 feet 6 inches	Used by draftsmen and as a filing room for plans, etc.
810	do	15 feet 6 inches by 18 feet 9 inches.	Do.
811	1 to 4	17 by 17 feet	Do.

NAVY DEPARTMENT, HYDROGRAPHIC OFFICE,
Washington, D. C., February 18, 1905.

[Memorandum, Chief of the Bureau of Equipment, Navy Department.]

The following table gives the numbers of the rooms in the Mills Building that are occupied by the Hydrographic Office, together with the dimensions of the rooms, the number of persons in each room, and whether or not the rooms are used for storage:

THIRD FLOOR.

No. of room.	Dimensions.	Number of occupants.	Remarks.
301	19 by 14 feet	2	Engraving machine.
302	18 by 14 feet	2	Do.
303	16 by 13 feet (average)		Storeroom for supplies.
304	18 by 14 feet	2	Engraving machine.
305	18 by 15 feet	2	
306	20 by 17 feet	4	
307	19 by 16 feet	2	Engraving instruments.
308	19 by 16 feet	2	Records stored.
309	19 by 16 feet	4	Do.
309A	19 by 17 feet	1	Original drawings stored.
310	19 by 16 feet	3	
314	19 by 16 feet	2	
316	19 by 16 feet	2	Books and original drawings.
318	19 by 16 feet	2	
313 315 317	12 by 20 feet (each)	2	Photographic plant.
319	12 by 11 feet	1	
320	19 by 16 feet	3	Storage of books, sounding sheets, etc.

SECOND FLOOR.

201	19 by 14 feet		New Hydrographic Office books stored.
202	18 by 14 feet	2	
203	16 by 13 feet (average)		Survey sheets stored.
204	18 by 14 feet	2	
205	18 by 15 feet	2	
206	20 by 17 feet (average)	3	Blank forms and records.
207	19 by 16 feet	2	Books and records.
208	19 by 16 feet	2	Correspondence stored.
209	19 by 16 feet	2	Books and blank forms.
209 1	19 by 16 feet	1	Confidential charts stored.
210	19 by 16 feet	1	Reports and miscellaneous publications.
213	12 by 20 feet	1	Survey documents stored.
214 216 218	19 by 16 feet (each)	4	Archive books and charts.
215 217	12 by 14 feet (each)	3	Books and pamphlets stored.
219	11 by 12 feet		Do.
220	19 by 16 feet	2	Books stored.

FIRST FLOOR.

102	55 by 15 feet	2	Supplies stored.
104	48 by 13 feet	1	Blueprinting plant and supplies stored.
106	40 by 13 feet	1	Clarts for issue stored.
107	35 by 20 feet	5	Do.
110 109a 121	32 by 15 feet 17 by 32 feet 37 by 15 feet	5	Two power-worked presses; 1 hand press; 1 power-worked stone planer. Materials stored.
120	do	1	Charts for issue stored.
119	do	2	Do.
118	37 by 16 feet	2	Do.

BASEMENT.

No. of room.	Dimensions.	Number of occupants.	Remarks.
	46 by 36 feet	8	Three power-worked plate presses. Three hand presses Storage of chart paper.
	28 by 63 feet	2	Paper-cutting machine. Two machines for pressing charts Electrotyping plant. Storage of engraved copper plates.
	Small room, 24 by 14 feet		Storage of alto plates.

VAULTS UNDER SIDEWALK.

17	15 by 13 feet		Storage of waste paper.
19	24 by 22 feet		Old boxes.
20	22 by 15 feet		Plate surfacing machine.
21	do		Oils, etc.
22-23	22 by 46 feet		Packing boxes.

On all the floors lack of storage room compels the office to use a portion of the corridors for storage purposes.

The vaults under the sidewalk are unfit for the storage of documents on account of excessive dampness.

H. M. HODGES,
Commander, U. S. Navy, Hydrographer.

FRIDAY, *February 17, 1905.*

STATEMENT OF CIVIL ENGINEER MORDECAI T. ENDICOTT, CHIEF OF BUREAU OF YARDS AND DOCKS.

BUREAU OF YARDS AND DOCKS.

The CHAIRMAN. Admiral, take the bill before you, there, and turn to pages 70 and 71 under the Bureau of Yards and Docks. The first item, for general maintenance, is $50,000 for 1905. What is the trouble there?

Chief Engineer ENDICOTT. The expenses under maintenance are of a varied character, covering a very wide field and including many things in which it is almost impossible to confine the expenditures. For instance, that appropriation bears all the expense of water supplied the yards for yard purposes, and we supply all the electric lights for lighting the yards and shops and officers' quarters, and also lighting all the ships under repair, and it also provides fuel for generating light and power, and pays for men on leave, and postage, printing, and so forth.

Now, in the course of the work in a navy-yard, these expenses under that item of maintenance increase very much. There is pretty nearly a direct proportion between the work done and these expenses. I keep it close to the limit, but for a few years I have been finding it impossible to keep it within the amount appropriated by Congress. The expenses have been increasing for several years. They give me a little larger sum each year under the naval appropriation, but still not sufficient to meet all these expenses.

The CHAIRMAN. How much have you on hand of that appropriation now?

Chief Engineer ENDICOTT. I do not know just how much the cash balance is, but I know that the sums allotted to pay for the regular force of labor, and to meet contracts for coal and for water and the maintenance of teams, and for stationery, and all that sort of thing, amount to $781,000 for the present year, with an appropriation of $725,000 to meet it.

The CHAIRMAN. Your allotments were not excessive. Will they be used up in each instance?

Chief Engineer ENDICOTT. Yes, sir.

The CHAIRMAN. What occasions the increase, increased work?

Chief Engineer ENDICOTT. Yes, sir. There are more ships afloat, and the work of repairs on ships is greater at navy-yards, and the force increases—the civil force and the force of workmen and mechanics—and that increases the consumption of water and makes a greater demand for light. When a ship comes to a yard for repairs her fires go out, and I have to connect up with her and light her, and that expense is borne by my bureau. The more ships there are in the yards for repairs the greater the expense.

The CHAIRMAN. This appropriation covers all the yards and docks?

Civil Engineer ENDICOTT. For all these general and contingent expenses; yes.

The CHAIRMAN. Then you have amounts found due for the fiscal year 1904, $244.71. I believe that is all you have?

Chief Engineer ENDICOTT. Yes, sir.

OVERCROWDED CONDITION OF OFFICES.

Mr. UNDERWOOD. What is the condition of your office in the Navy Department? Have you sufficient room for your working force?

Chief Engineer ENDICOTT. At the Department?

Mr. UNDERWOOD. Yes, sir.

Chief Engineer ENDICOTT. I have sufficient. I occupy nearly one entire floor in the Mills Building outside. I have 6 rooms over there. I have 4 rooms in the main building and 6 over in the Mills Building.

Mr. UNDERWOOD. How many clerks and officers have you, if you include everybody who works there?

Chief Engineer ENDICOTT. I have assistants, making two officers in addition to myself, and two or three temporarily there.

Mr. UNDERWOOD. How many employees?

Chief Engineer ENDICOTT. We have about 32 or 33—somewhere along there.

Mr. UNDERWOOD. You have that many working in the 10 rooms?

Chief Engineer ENDICOTT. Yes, sir. More than half of them are draftsmen, occupying, necessarily, a good deal of room on the large drawing boards, and spreading over a large area comparatively. The officers in the main room are pretty heavily congested with furniture and clerks.

Mr. UNDERWOOD. Are those rooms in the Mills Building larger than those in the main building?

Chief Engineer ENDICOTT. Yes, sir; one, particularly, is a large room, where we keep the draftsmen.

FRIDAY, *February 17, 1905.*

STATEMENT OF SURG. GEN. P. M. RIXEY, CHIEF OF BUREAU OF MEDICINE AND SURGERY.

BUREAU OF MEDICINE AND SURGERY.

NAVAL HOSPITAL.

The CHAIRMAN. On page 72 of the bill before you, Doctor, under "Naval hospital," there is an item for additional appropriation for completing the hospital upon original plans—"the naval hospital, Washington, District of Columbia, $40,000, and for the erection of an addition, symmetrical with the southeast pavilion, solarium, and connecting corridor, $20,000; in all, $60,000." What is the trouble with your original appropriation?

Doctor RIXEY. The original appropriation was insufficient, sir, to complete the hospital. The lowest proposal received for the complete work, after advertisement, was $24,000 in excess of the appropriation.

The CHAIRMAN. What was your original appropriation?

Doctor RIXEY. One hundred and twenty-five thousand dollars. Then new proposals were invited, after eliminating from the plans the southeast pavilion, solarium, and connecting corridor, and the lowest proposal received was still $13,000 in excess of the appropriation. Only after the further elimination of nearly all parts and fixtures not integral parts of the building was an agreement reached with the contractors bringing their proposals within the amount authorized by the law. In consequence of the necessary omission from the plans and specifications of the northeast pavilion, and of all fittings and fixtures for the hospital, the Bureau is compelled to ask an appropriation to finish and equip the hospital building.

The CHAIRMAN. You have let your contract, have you?

Doctor RIXEY. Yes, sir; and the building is under roof now.

The CHAIRMAN. What do you propose to do with the $40,000?

Doctor RIXEY. To put the two additional wards on, to make it larger. I had to throw those off at first, in order to bring the amount within the appropriation. For instance, we had to take out elevators, and certain carpenter work which could be put in afterwards, and the plumbing and gas fitting. We only put in the rough work. We omitted the heating and lighting and all the fixtures of that kind, and we took out one whole ward.

The CHAIRMAN. How many people can you accommodate in the hospital now?

Doctor RIXEY. If we would put it in commission now we could accommodate 48. We have about that many in the old hospital at the present time.

The CHAIRMAN. What have you in there in the way of quarters and officers' rooms?

Doctor RIXEY. There will be eight rooms for sick officers.

The CHAIRMAN. Now, after an expenditure of $125,000, you can take care of 8 officers and 48 patients, or is it 42 patients and 8 officers?

Doctor RIXEY. That is crowding it. Forty-eight is crowding it.

Mr. BURKETT. When that act was passed, Congress appropriated $125,000 to build that hospital, did it?

Doctor RIXEY. Yes, sir.

Mr. BURKETT. Then, by what right do you use this process of making Congress appropriate $165,000 instead of $125,000—the limit of cost fixed in the act?

Doctor RIXEY. We asked for more money to build it, thinking and believing that we would need it, and we were given only $125,000. Now, I found after it had been advertised that it could not be built for that amount, $125,000. We did not want to build a flimsy structure. We did not want to do that.

Mr. BURKETT. I know; but you first asked for more, and Congress said "No; we will give you $125,000." And then you went out and proceeded to whip the devil around the stump, and now you are trying to get $165,000 instead of what the law authorized you to have. Would it not be better to say to Congress, "We can not build a hospital for that," and not undertake it at all?

Doctor RIXEY. We would not have had a hospital. The Secretary and a committee condemned the old hospital and found it necessary to have a new one. Congress gave us $125,000 to build that. I have done the best I could in making plans and asking Congress to give us a new hospital. If I had put that money in a different building, big enough to hold the patients and do the work, I would not have had as good a building as this is.

Mr. BURKETT. But Congress is responsible.

Dr. RIXEY. Yes; but they would have held me responsible in getting a suitable hospital building.

Mr. BURKETT. I know; but what right has a Department to go ahead and build something bigger than is authorized and then come here to have its bills paid? Why should each Department go ahead, and be allowed to go ahead, and spend money recklessly, at will, without consulting Congress?

Doctor RIXEY. I do not suppose that Congress intended that we should throw away money provided by the Government. We are doing the best we know how with it.

Mr. BURKETT. How could you understand what Congress intended to be done otherwise than that $125,000 should be the limit, when Congress said that that should be the limit?

Doctor RIXEY. I have not expended any more money than Congress has given.

Mr. BURKETT. You have the hospital uncompleted, and now you come back for $60,000 to complete it.

Doctor RIXEY. It will take only a small sum to finish it—the interior of these two walls.

Mr. BURKETT. I want to find out whether Congress runs the Government or whether the Departments and Bureaus run it.

Doctor RIXEY. Congress runs it all right. We can not do anything unless you say so.

Mr. UNDERWOOD. You say these two additional wards are not absolutely necessary and that the building can be completed without them?

Doctor RIXEY. Yes; it would cost something to do that. It would cost about $20,000, leaving out these two wards; and then it would necessitate our keeping the old hospital in commission at an additional cost.

Mr. LIVINGSTON. Who drew the plans of this hospital?

Doctor RIXEY. Mr. Flagg.

Mr. LIVINGSTON. Why did he not draw the plans so that it could be built and finished for $125,000, the amount named by Congress as the limit of cost?

Doctor RIXEY. I do not know. I wish he had, and I wish we could have gotten one for that price. We had to trim out and work out to get it at that. We wanted fireproof construction, and we wanted it to be in good shape, so that it would last.

The CHAIRMAN. You say it would cost $20,000 to complete it?

Doctor RIXEY. That is, putting in the fittings, etc., without the wards. But you see we have a plant there that is expensive to run, and we would have to keep the old hospital in commission, because without the new wards the new hospital would not be large enough to keep the patients.

The CHAIRMAN. How many have you now?

Doctor RIXEY. Forty-one to-day.

The CHAIRMAN. You say you can accommodate 48 in the new hospital?

Doctor RIXEY. Yes.

The CHAIRMAN. Then, you could take them over from the old hospital?

Doctor RIXEY. It could be done, but it would be caring for two establishments.

The CHAIRMAN. I say, if you have only 41 in the old hospital you could take all into the new hospital?

Doctor RIXEY. We could not at present. This does not allow for putting in other men.

The CHAIRMAN. About how many do you have in your hospital?

Doctor RIXEY. This hospital will not hold any more. Forty-eight would be the maximum capacity.

The CHAIRMAN. How many have you had in the past in your naval hospital?

Doctor RIXEY. Forty-eight is the largest number I have ever known in the hospital.

The CHAIRMAN. If your new building will accommodate 48, could you not dispense with the old building?

Doctor RIXEY. The reason we have not had more is that we have not had room for them. We have had to send them to other places, and we put them in civil hospitals. We have some now in Providence Hospital and in Garfield Hospital, and in other hospitals.

The CHAIRMAN. How many patients have you now?

Doctor RIXEY. I do not recall exactly. Our contagious cases we have been sending to Providence and Garfield hospitals.

The CHAIRMAN. You would do that anyway, would you not?

Doctor RIXEY. No, sir. One of those wards that we would complete would be a contagious ward.

The CHAIRMAN. You have not yet answered my question as to how many you have, all told.

Doctor RIXEY. I could not say exactly, including those in other hospitals. It would probably be about 50.

The CHAIRMAN. Getting back to the proposition. If this hospital now constructed were completed, you could take care of substantially all your patients?

Doctor RIXEY. I believe we could, but you could not take care of them in that hospital.

The CHAIRMAN. But you say you could take care of 48 of them?

Doctor RIXEY. Yes, by crowding.

The CHAIRMAN. So that you would have only one or two or three to send out?

Doctor RIXEY. There would be more than that. We have been sending some to other places, and we have sent men to other stations who should naturally come here.

Mr. LIVINGSTON. I suppose you think it is your duty to take these patients out of Garfield and Providence hospitals and put them down there where they have room?

Doctor RIXEY. We have not room there now. If we had the new hospital we could take them all. We could take care of our own men. It would be much more satisfactory if we could have them where we could watch their cases.

NAVAL LABORATORY.

The CHAIRMAN. The next item is for "naval laboratory—for additional appropriation for completing upon original plans the naval laboratory, Brooklyn, N. Y., $9,000, and for the installation of metal and other shelving, $11,000; in all, $20,000." What is the condition of that building?

Doctor RIXEY. By the act of March 3, 1903, $75,000 was appropriated for the erection of a new building for the naval laboratory. The lowest proposal received for the work, after advertisement, was $6,000 in excess of the appropriation. The bidders were requested to scale down their bids on the basis of revised specifications, which omitted items essential in themselves, but not integral parts of the building, such as elevators, pipe trench, power house, weighing scales, and lighting fixtures. The plans and specifications did not contemplate the installation of shelving, which should be of metal, because of the inflammable nature of the supplies to be placed upon them.

The naval laboratory is the naval medical storehouse, where all medical supplies for the Navy, ashore and afloat, are assembled, and the only one on the Atlantic coast from which they are distributed. Without this appropriation the finished building can not be equipped for use. That is in just the same condition as the hospital here.

The CHAIRMAN. You entered into a contract?

Doctor RIXEY. Yes. The building is finished up to a certain point. The only thing is to add those things to it to make it complete. In the original building it was not contemplated to put in the metal shelving.

The CHAIRMAN. You were allowed $75,000?

Doctor RIXEY. Yes, sir.

The CHAIRMAN. And it will take $9,000 more to complete the building as contemplated by the contract when you let it?

Doctor RIXEY. No, sir; the contract was only let for that amount, $75,000.

The CHAIRMAN. But you get an incomplete building. Now, in what respect is it incomplete?

Doctor RIXEY. Well, it needs the elevators, and it needs the pipe trench, and it needs the weighing scale, and the lighting fixtures. That is about all.

The CHAIRMAN. It can not be used until you get those?

Doctor RIXEY. Not satisfactorily. It could be used in a certain way. We have some things in it now.

OVERCROWDED CONDITION OF OFFICES.

Mr. UNDERWOOD. Are you in a crowded condition, or not, in your offices? Have you plenty of floor space and room for your office force where your offices are?

Doctor RIXEY. We have some in the Mills Building, and some in the State, War, and Navy building.

Mr. UNDERWOOD. Have you sufficient room for your working force?

Doctor RIXEY. We have not sufficient room for the pension portion of our force. We ought to have two additional rooms in the Navy Department.

Mr. UNDERWOOD. How many rooms have you?

Doctor RIXEY. One room is divided up by partitions into three. There are five rooms in the Navy Department building that we have. In the Mills Building we have four or five rooms. I have forgotten the exact number.

Mr. UNDERWOOD. How many officers and men and employees work in those rooms?

Doctor RIXEY. I could not give you that offhand.

Mr. UNDERWOOD. Can you make a statement as to the condition of your working force and the amount of floor space and send that statement to the committee in a day or two?

Doctor RIXEY. Yes, sir.

NAVY DEPARTMENT, BUREAU OF MEDICINE AND SURGERY,
Washington, D. C., February 18, 1905.

SIR: In my hearing before the Committee on Appropriations yesterday you asked if the new hospital here could be utilized without building the two wards which this Bureau thinks should be added now, as the contractors have engaged to build them for $20,000 each provided the money is available before their plant is removed.

These wards are needed in order to give our patients the care due them, and if not built now the expense of building them would be greater. If the committee decides not to build both wards now, I hope that they will allow at least one ward now and the restoration of the items left out, making a total of $40,000 for the hospital immediately available. This will give us a good working hospital, and the other ward can be added in a few years, only it will cost more to build it then than it will cost now.

In regard to the new naval laboratory at Brooklyn, if the committee decides not to give the full amount asked for, which is considered by the Bureau to the best interests of the service, I have to request that the $9,000 be made available so as to complete the building, and we will arrange for temporary shelving until such time as Congress shall see fit to give us money for metal shelving.

Very respectfully,

P. M. RIXEY,
Surgeon-General U. S. Navy.

The CHAIRMAN APPROPRIATIONS COMMITTEE,
House of Representatives.

FRIDAY, *February 17, 1905.*

STATEMENT OF REAR-ADMIRAL CHARLES W. RAE, CHIEF OF BUREAU OF ENGINEERING.

BUREAU OF STEAM ENGINEERING.

STEAM MACHINERY.

The CHAIRMAN. Admiral, please turn to page 74 of the bill, or rather at the bottom of page 73. There you will see an item, "Steam machinery: To supply a deficiency in the appropriation 'Steam machinery, Bureau of Steam Engineering,' including all objects mentioned under this title of appropriation in the naval appropriations act for the fiscal year 1905, $700,000." You were given the amount asked for by the estimates this year. You asked for $3,405,000 for the fiscal year 1905. Now please explain the necessity for this deficiency.

Admiral RAE. I was appointed chief of the Bureau of Steam Engineering in August, 1903, and within a very short time after that I sent in this amount—the estimate of this amount, $3,405,000. I took exactly the same as had been appropriated the previous year. Before I had been there very long, but too late to rectify it, I found out there would not be nearly enough, because in the previous year, which was the same as that which I had asked for, Admiral Melville, my predecessor, came in with a deficiency of $600,000, and this year under my own administration it is $700,000. It is all due to the fact that we are keeping in commission a much larger fleet than ever before, and of course the ships now in commission demand repairs to the machinery, and therefore they require this amount to run during the remainder of the year.

OVERCROWDED CONDITION OF OFFICES.

Mr. UNDERWOOD. What is the condition of your floor space, as regards the number of employees?

Admiral RAE. We are very much crowded.

Mr. UNDERWOOD. How many rooms have you?

Admiral RAE. I have seven rooms on the floor there, and we have some storage room up above, and a couple of rooms over in the Mills Building, which are principally used as storerooms.

Mr. UNDERWOOD. How many persons have you working there—that is, including officers and all who have to find desk room?

Admiral RAE. I should have to count that up.

Mr. UNDERWOOD. If you would prefer, you can file a statement of it with the committee.

Admiral RAE. I will give you the total force.

Mr. UNDERWOOD. And state if you need more room; and if so, how much?

Admiral RAE. Yes, I will.

FRIDAY, *February 17, 1905.*

STATEMENT OF REAR-ADMIRAL WASHINGTON LEE CAPPS, CHIEF OF BUREAU OF CONSTRUCTION AND REPAIR.

BUREAU OF CONSTRUCTION AND REPAIR.

INCREASE OF THE NAVY.

The CHAIRMAN. Now, Admiral, please turn to page 74, under "Increase of the Navy," to the item "For the hulls and outfits of vessels, and steam machinery of vessels heretofore authorized, $7,000,000."

Admiral CAPPS. That is purely to meet obligations that are becoming due which are entirely within the amount authorized by Congress due in part to the more rapid construction of vessels which has taken place within the last thirteen months, and due to the fact that Congress last year appropriated for a battle ship, two armored cruisers, three scout cruisers, and two colliers, no money having been estimated for those vessels in advance.

Of course the estimates were submitted months in advance of action by Congress on this matter, and it is never customary, in fact, to include in the estimate anything for the actual vessels authorized in any particular year, the appropriations for the increase of the Navy being purely continuing appropriations and the obligations of the Department to contract within the limit of vessels being fixed by law.

The third reason or consideration which causes this deficit in money under increase of the Navy is the fact that last year, in January, $4,000,000 was taken from the amount estimated in September. The Secretary of the Navy at that time was anxious to keep the appropriation as low as possible, and accordingly $4,000,000 was taken from the $23,000,000 estimated in September of the previous year, on the supposition that the private contractors would not expedite their work to a much greater extent than they had in the preceding year.

The actual fact was that the builders, having no work of a private character, greatly expedited the work on Government vessels and payments became due more rapidly in consequence. This $7,000,000 is not, of course, a deficit yet. It simply means that the work is going on very rapidly, and if this amount is not appropriated the Government obligations, that have already been made entirely within the limit imposed by Congress, will not be met promptly or this new shipbuilding work will have to be held up until other money is available.

The CHAIRMAN. In other words, you think the work now in progress under the authorization by Congress will require $7,000,000 up to July 1 next?

Admiral CAPPS. Yes, sir; during this fiscal year—that is, the whole thing.

Mr. UNDERWOOD. Does that increase the actual cost? It is within the limit fixed?

Admiral CAPPS. It does not increase the actual cost in the slightest degree. It simply means that the Government gets the article it is buying in advance of the time expected.

Mr. UNDERWOOD. This year instead of next year?

Admiral CAPPS. Yes.

Mr. LIVINGSTON. This year instead of last year?

Admiral CAPPS. Four millions should have gone in last year, and then $3,000,000 is for new ships authorized by the last Congress, for which, of course, no estimates were made.

OVERCROWDED CONDITION OF OFFICES.

Mr. UNDERWOOD. What is the condition of your working force and room space in your offices here?

Admiral CAPPS. We are somewhat crowded, but it is a very large force, and I should prefer giving you the full details if you desire.

Mr. UNDERWOOD. Yes. Please file with the committee a statement of your floor space and, if you need more, how much you will need.

Admiral CAPPS. I will.

Admiral RAE. I trust you will give me that $700,000, for if you do not I will have to shut up shop.

Mr. LIVINGSTON. Do you not think "the boys" would like to rest a while?

Admiral RAE. I would not like to meet all the gentlemen who have navy-yards in their districts if the work were so suspended.

NAVY DEPARTMENT, BUREAU OF STEAM ENGINEERING,
Washington, D. C., February 18, 1905.

SIR: In accordance with your verbal request I have the honor to inclose herewith memorandum giving the floor space and occupants thereof of the offices of this Bureau in the State, War, and Navy building and in the Mills Building.

Very respectfully,

C. W. RAE,
Engineer-in-Chief U. S. Navy, Chief of Bureau.

The CHAIRMAN COMMITTEE ON APPROPRIATIONS,
House of Representatives, Washington, D. C.

[Memorandum for chairman of Committee on Appropriations.]

The Bureau of Steam Engineering occupies 7 rooms on the third floor in the State, War, and Navy building, with an aggregate floor space, not deducting that covered by the book and file cases, of 4,470 square feet. These rooms are occupied by 43 officers, clerks, and draftsmen.

In addition the Bureau has 1 attic and 1 subbasement room, which are used as file and store rooms.

In the Mills Building the Bureau has 5 rooms, with an aggregate floor space of 1,322 square feet.

One of these rooms is occupied with the blue-printing plant of the Bureau and 1 operator, with 294 square feet of floor space.

One of the rooms is occupied with file and record cases and 1 officer, with 289 square feet of floor space.

The remaining 3 rooms are occupied with file cases for the records of the Bureau, with an aggregate of 739 square feet of floor space.

The floor space given above is taken from the plans of the buildings and with no deduction for the space occupied by the file and record cases of the Bureau.

SATURDAY, *February 18, 1905.*

DEPARTMENT OF THE INTERIOR.

OFFICE OF THE SECRETARY—STATIONERY.

STATEMENT OF MR. EDWARD M. DAWSON, CHIEF CLERK.

The CHAIRMAN. The Department of the Interior is on page 82, Mr. Dawson. Under the "Office of the Secretary" the first item is "For stationery for the Department of the Interior and its several bureaus and offices, including the United States Geological Survey and the Civil Service Commission, $9,000." You want $9,000 deficiency.

Mr. DAWSON. Yes, sir. That is the deficiency to meet ordinary expenses, sir.

The CHAIRMAN. What is the occasion for the increase in the stationery used?

Mr. DAWSON. We have to-day about $10,000 left of the appropriation, and that would be insufficient to see us through, sir.

The CHAIRMAN. That is $2,000 more than you had as a deficiency last year. Is your business increasing?

Mr. DAWSON. Very much, sir. The Civil Service Commission has increased very much. It has taken in the Philippine service and the free rural delivery, and those larger branches of the service have very much increased the demands upon us for stationery as well as for printing.

Mr. BURKETT. How do you handle the stationery business? Do you handle it with a good deal of care, so as to prevent leakages and waste?

Mr. DAWSON. Oh, yes, sir; we have a very thorough system of bookkeeping and receipts and requisitions for every article, even the smallest article. It has to be approved by the head of a bureau.

Mr. BURKETT. Do you handle it with as much care as a railroad company handles its stationery?

Mr. DAWSON. I am not very familiar with the system used by railroad corporations, but I do not think there could be anything more exact than the way we handle ours.

Mr. BURKETT. Who determines what grade and class of paper you use?

Mr. DAWSON. We get that under contract. The contracts are let. We advertise in April to open the bids——

Mr. BURKETT. For instance, I notice that some of the paper that comes is a very fine grade of paper, finer than anybody connected with Congress uses. Who determines upon that grade, whether it shall be a heavy grade of linen paper or a cheaper grade?

Mr. DAWSON. You will only find that, sir, in letters signed by the Secretary or Acting Secretary. We do not use that in the service, generally. We have a small quantity of that finer paper which we use in addressing Congress and the Departments. It amounts to a very small increase over the other paper, but we think you should have a little better treatment than the public generally. We do not use that generally in correspondence with the public.

The CHAIRMAN. That is used when you write to members of Congress?

Mr. DAWSON. Yes; to members of Congress and to the committees of Congress.

The CHAIRMAN. There is no truth in the statement that you now have to have an order from the Civil Service Commission before you can call on the head of a Department?

Mr. DAWSON. I do not know about that.

PRINTING AND BINDING.

The CHAIRMAN. There is an item on page 143, "For printing and binding for the Department of the Interior, including its several bureaus and offices and the Civil Service Commission, $24,000." You had $422,000 for 1905, and we gave you just what you estimated.

Mr. DAWSON. The increase is needed in the general increase of the business, sir. We find that we will not have enough to see us through. The reason for these two increases are given in the letter, which I suppose is printed.

The CHAIRMAN. Is it due to additional classes of printing, or the same printing that you have had done heretofore?

Mr. DAWSON. Additional classes, to a considerable extent. Take the Civil Service Commission, for example. I have just spoken of the Philippine examinations and the Philippine service, and the rural free delivery. We have to do all their printing. It is taken out of our appropriation. It goes through like the printing of any bureau.

The CHAIRMAN. How much of this is due to the Civil Service Commission, in round figures?

Mr. DAWSON. I should say their increase would amount to at least $10,000 this year. I have tried to keep it down. They have to show good reasons why they should have it.

The CHAIRMAN. Who determines, Mr. Dawson, when a requisition is made whether the printing shall be done or not?

Mr. DAWSON. I do. That is left to me. We have tried to economize this year by striking off the covers from documents; just printing them, you know, with the outside page, and without covers. We try to economize in every way, but we can not get along with the appropriation we had.

Mr. LIVINGSTON. Have you looked into the question of paper? Has there been any material increase in the price of paper?

Mr. DAWSON. That is a matter they look into.

Mr. LIVINGSTON. Are you not aware of the fact that they do pay more for paper?

Mr. DAWSON. I do not know about that—what their prices are for paper.

INTERIOR DEPARTMENT BUILDINGS.

There is another item of $2,510, a deficiency for repairs to the electric-light and heating plant.

The CHAIRMAN. Do you want to add anything to the explanation there? That is on pages 87 and 88. You have a note there, on page 88.

Mr. DAWSON. That explains it, sir.

Mr. LIVINGSTON. Have you been successful with these smoke consumers?

Mr. DAWSON. Yes, sir.

Mr. LIVINGSTON. Have you a better one now than you had a year ago?

Mr. DAWSON. We had none at all a year ago, and we made a great deal of smoke there.

Mr. LIVINGSTON. Do the District Commissioners allow you so many minutes now?

Mr. DAWSON. No, sir; they do not allow us any time.

Mr. LIVINGSTON. They give you no margin at all?

Mr. DAWSON. No, sir.

The CHAIRMAN. You have put in this smoke consumer, have you?

Mr. DAWSON. Yes; it is a stoker at the same time. It stokes the fire automatically, and you do not have to rake it and stir the fire, which causes the smoke. This stoker is working all the time automatically, and we find it has met the conditions entirely.

The CHAIRMAN. It has stopped the smoke, has it?

Mr. DAWSON. It stops the smoke; yes, sir.

The CHAIRMAN. Does it save anything in fuel?

Mr. DAWSON. They guarantee us a saving in fuel. We have had it in operation only about a month. They say it will decrease the amount of fuel consumed.

Mr. LIVINGSTON. The constant agitation of the fuel—I can see how that would prevent smoke, but I can not see how it would decrease the consumption of coal.

Mr. DAWSON. They claim it decreases the consumption. This $2,510 represents just what we paid for these stokers.

SATURDAY, *February 18, 1905.*

PUBLIC-LAND SERVICE.

STATEMENT OF MR. JOHN H. FIMPLE, ASSISTANT COMMISSIONER GENERAL LAND OFFICE.

CONTINGENT EXPENSES OF LAND OFFICES.

The CHAIRMAN. On page 91 of the bill, Mr. Commissioner, I see you ask for $40,000 deficiency for contingent expenses of land offices. We gave you your estimate, $225,000, for this present fiscal year. What is the trouble?

Mr. FIMPLE. Well, the trouble is that the estimate was cut down by the Department. Our estimate was $250,000. Last year we had $250,000, and expended, I think, $249,000, or something like that. Now, the $225,000 is wholly inadequate to keep up the running expenses.

The CHAIRMAN. What do you pay out of this fund?

Mr. FIMPLE. Well, we pay now, out of the current appropriation, for clerk hire, $202,092.43; for rent of offices, $31,512.67; incidental expenses, furniture, safes, typewriters, freight, advertisements, etc., $8,826.65, and registering letters, $5,491.58.

Now as the expense pertaining to opening to entry and settlement of Indian lands, that was largely expended in connection with the opening of the Rosebud Reservation, in South Dakota, and the Devils Lake

Reservation, in North Dakota, and the Red Lake Reservation, in Minnesota, $15,943.25. That, together with the sums before named, makes a total expenditure of $263,866.58. Now, the excess of authorizations and expenditures over the appropriation now available is $38,866.58.

The CHAIRMAN. Mr. Commissioner, how many additional clerks have you employed during this fiscal year? How many have you added to the force which you had heretofore?

Mr. FIMPLE. There are now 191 clerks. There has been no material increase in the number of clerks. Of course, occasionally, the business of the land offices is such that it absolutely requires an additional clerk.

The CHAIRMAN. Who determines, Mr. Commissioner, when the additional force shall be given to the land offices?

Mr. FIMPLE. It is determined, so far as the recommendation in the first instance is concerned, by the register and receiver of the local office who has the business of the office immediately in charge. They make a recommendation to our office. The local officers are themselves regulated by inspectors of our office. Sometimes they make a recommendation. The register and receiver finds the business of the office behind to such an extent that the public and the people are complaining, and they recommend that they be given additional clerks; and whenever the inspector finds that a clerk can be dispensed with in an office they so report, and we take it away from them, sometimes against the recommendation.

The CHAIRMAN. You are familiar, through the inspectors, with the conditions of these different offices? What do you say as to their having more force than necessary?

Mr. FIMPLE. They certainly have not. We certainly keep up a careful supervision over the local offices throughout the country. Of course, when an office gets behind with the work in such a way that the public are complaining, it is absolutely necessary to get it up when it becomes congested. For instance, recently in the Minot office, in North Dakota, the business got into such a condition that we detailed two clerks from our office to go out and help them get up with their work. That work was in connection with contests. We detailed clerks here familiar with that work.

The CHAIRMAN. How are these clerks selected?

Mr. FIMPLE. Through the civil service. We call upon the Civil Service Commission for a list of eligibles, and they certify.

The CHAIRMAN. They certify a list residing near the office?

Mr. FIMPLE. As a rule, they do; that is the policy.

The CHAIRMAN. That is the policy of your office?

Mr. FIMPLE. It is our policy to select, as a rule, clerks in the vicinity of the office requiring the clerks. But I feel that so far as the contingent expenses of the offices are concerned it is simply an absolutely necessary expenditure to keep the offices going in proper condition.

Mr. LIVINGSTON. That being true—that you select through the Civil Service Commission from contiguous territory—what becomes of the pro rata share of the States in the Civil Service Commission?

Mr. FIMPLE. As I understand it, they do not certify a man where the quota is full—that is, I understand that to be the rule.

Mr. BURKETT. Those States do not get their pro rata share anyway.

Mr. FIMPLE. I have a statement here which shows just how the

clerks are distributed. I can give you the number of clerks in each office, if desired.

The CHAIRMAN. Not unless Mr. Livingston cares about it.

PROTECTING PUBLIC LANDS, TIMBER, ETC.

On page 93 of the bill, at the top, is the item for protecting public lands, timber, etc., $4,784. That is a deficiency for the fiscal year 1904. Please explain that.

Mr. FIMPLE. The amount of the appropriation last year was $200,000, and it simply resulted in leaving unsettled accounts to the amount of $4,784 for that year. The increase probably resulted somewhat from the special investigations that are being carried on in the West now.

Mr. LIVINGSTON. Largely from that?

Mr. FIMPLE. Yes.

Mr. BURKETT. Why does it come in this late?

Mr. FIMPLE. It is not coming in this late. The amounts have been made out, but there has been no money in the appropriation to pay it. The accounts have been received and the claims are all right, but they can not be paid because there is no appropriation.

Mr. BURKETT. Why did not this come in either last year on the deficiency, or else in a regular bill this year?

Mr. FIMPLE. The expenses were incurred in the year 1904, and were chargeable to that year.

The CHAIRMAN. The only question, of course, is how you happened to allow the expenditures to run beyond the appropriation?

Mr. FIMPLE. I can hardly explain that further, Mr. Hemenway, than to say that it was almost impracticable to keep within the appropriation in some cases, where the expenditures seemed to be absolutely warranted, so far as the business of the offices is concerned.

PROTECTION OF FOREST RESERVES.

The CHAIRMAN. Now, turn to page 126 of the bill, to the item for protection of forest reserves, $50,000.

Mr. FIMPLE. That part of the business comes now within the jurisdiction of the Forestry Bureau of the Agricultural Department, and the Commissioner addressed a letter to the committee, I think on February 5, touching the matter. This deficiency appropriation should be made payable so that it could be expended and utilized by the Forestry Bureau of the Agricultural Department.

Mr. BURKETT. The deficiency was made when you had the forestry division in the Interior Department, was it not?

Mr. FIMPLE. The deficiency was made in the current year.

Mr. BURKETT. The other Department does not know anything about it?

Mr. FIMPLE. They know something about it, because Mr. Pinchot has conferred with us with reference to this matter, and the regular appropriation this year was stricken out of the appropriation for our Department and put in the agricultural bill.

Mr. BURKETT. What is this deficiency for? They do not seem to know over there. You had $375,000 last year—that is, for the present year—and $375,000 for 1904, and $300,000 for 1903, and for 1902 the same. Now, you are here for $50,000 deficiency, making $425,000 for 1905.

Mr. FIMPLE. It is owing to the increased work in connection with forest reserves. The appropriation estimate as really prepared by our office was $500,000, and that was reduced to $375,000 by the Department. The amount appropriated for 1905 was $375,000.

Mr. BURKETT. But tell me why should forest-reserve work, protection to forests, etc., go over the amount that Congress appropriates to protect the forests with? Why should it be permitted? Why should any Department be permitted to increase this forest-protection service more than the amount that Congress provides?

Mr. FIMPLE. It simply resolves itself to this, that if we do not do it, it will necessitate the laying off of the forestry officers and rangers.

Mr. BURKETT. It will result in the hiring of less men at the beginning of the year.

Mr. FIMPLE. The forestry work is of such a character that at certain seasons of the year it is absolutely necessary for a larger force to be employed. It requires a larger force at certain seasons than at others. For instance, during the dry season and during the summer season we pasture a million of sheep on those reserves and half a million head of cattle and horses. The ranger permits the pasturage during the summer season, and then they are laid off during the winter season.

Mr. BURKETT. I know, but what right has a Department to expend money that Congress has not appropriated?

Mr. FIMPLE. It is not right, strictly speaking.

Mr. BURKETT. What other way is there of speaking? What right has it?

Mr. FIMPLE. Nothing except the necessity of the case.

Mr. BURKETT. Congress determines the necessity. Now, what right has this Department or any other Department to expend more money than Congress permits? What does the Department know about how much money the Government has to expend?

Mr. FIMPLE. They know the necessity.

Mr. BURKETT. Yes. They presented that to the committee the year before, and the committee determined on or recommended a certain amount, and then the Department goes ahead and ignores Congress, and spends more money than is authorized, and expects Congress to make up the deficiency.

Mr. FIMPLE. They have not exceeded the appropriation.

Mr. BURKETT. You just had one here for 1904 where the claims had been allowed.

Mr. FIMPLE. They are allowed in this way: They are proper claims for allowance; they are not allowed; they are otherwise correct, provided there is an appropriation available for them. But if the service has to be kept up to anything near the proper standard it will be necessary to have this deficiency appropriation. Of course the expenditures have not yet been made, but it will materially affect the efficiency of the forestry service for the balance of the year if it is not allowed.

The CHAIRMAN. What balance have you on hand of this fund?

Mr. FIMPLE. There has been expended up to date $219,158.14, leaving a balance of the appropriation on hand of $155,841.86.

The CHAIRMAN. Up to what date?

Mr. FIMPLE. December 31, 1904. I desire to impress upon the committee the fact that the appropriation for the protection of forest reserves has not been adequate for the service. The forest reserves

are being increased from time to time, and when you stop to think that we have 63,000,000 acres embraced in 61 forest reserves, you will realize that it is a large area to undertake to protect and to patrol, to say nothing of the granting of grazing permits and other privileges that are increasing all the time. The policy of the Forestry Bureau and of our office, so far as these reserves are concerned, is to utilize them to the largest degree possible consistent with good administration. It is necessary to the successful policy and administration of the forestry work to allow the largest use possible of the reserves consistent with proper protection. The people in the immediate vicinity of the reserves get hostile to the creation of these reserves if they are hedged about and shut up as to the resources. So that our policy now is to allow the largest possible use of the reserves consistent with their proper protection.

The CHAIRMAN. What do you get out of the pasturage of the sheep and horses and cattle?

Mr. FIMPLE. So far no charge has been made for pasturage purposes. That question has been considered by the public-lands commission, and in a recent report they have recommended that there be some change, I believe, in that regard.

The CHAIRMAN. You put them in upon the theory that they would keep the grass down, and in that way furnish protection against fire, and so on?

Mr. FIMPLE. No; they went upon the theory that there is no charge made for pasturage upon the public domain up to date, although that question has been mooted and discussed.

The CHAIRMAN. There has been no charge for pasturage on public lands?

Mr. FIMPLE. No, sir. That is the policy, but I think the time is coming when some charge should be made for pasturage purposes, as well as for some other privileges within the reservation, and the proceeds used toward the administration and maintenance of the reserves, and I think that policy will sooner or later be adopted.

I would like to add that we have already collected, during the last fiscal year, $106,071 from timber depredations and timber sales, so that this service is not a total expenditure to the Government for which the Government gets no return.

The CHAIRMAN. That is from the detection of fraudulent depredations?

Mr. FIMPLE. Yes; and also from the sale of matured and dead and down timber.

SATURDAY, *February 18, 1905.*

PATENT OFFICE.

STATEMENT OF MR. FREDERICK I. ALLEN, COMMISSIONER OF PATENTS.

The CHAIRMAN. Please turn to page 84 of the bill before you, Mr. Commissioner. You have there a request for clerks, $20,700. I will ask you if these clerks are required by the new law enacted, known as the trade-mark law?

Mr. ALLEN. Yes, Mr. Chairman, there has been passed by both Houses of Congress a new trade-mark law. This new law extends the Federal control of trade-marks to interstate commerce, which the other did not cover, covering only the commerce with foreign countries and Indian tribes. The fee for registration is reduced from $25 to $10, and the general tenor of the bill is to liberalize those provisions. We feel certain—as does everybody connected with it—that this extension of trade-mark privileges and the cheapening and liberalizing is going to result at once in a large increase of work, and this force has been suggested by me and recommended by me, after a most careful consideration of it with those men who technically in our office know about it and will deal with it; and I believe the force is absolutely necessary to carry out the purposes of this bill, which only awaits the President's signature. I have just written a letter saying it ought to meet with his approval and receive his signature. We need that force. It is an absolute necessity, so far as anyone can foresee things that are not yet present. I believe that force is absolutely necessary.

The CHAIRMAN. What effect will this new law have on your fees for trade-marks?

Mr. ALLEN. It amounts to a reduction from $25 to $10 in the fee required for the registration of the trade-mark. That undoubtedly is going to bring in a great many marks; it is going to increase many times, as we expect, the number of trade-marks brought into Federal registration.

I will say to you that I believe that the trade-mark business of our office, as conducted under this new law, is going to be carried on so close to its cost that this large increase in business must not be expected to produce a corresponding increase in revenue out of trade-marks. I think the price has been cut almost to the cost of doing the work.

The CHAIRMAN. That was done on the Senate side, was it not? Do you remember how the bill passed the House; was it $25, or what was it?

Mr. ALLEN. I think there was no change made in that regard. The Senate made one change for renewals at my suggestion. They raised the renewal fee from $5 to $10, for it seemed to me that the fee for a renewal should be the same as the original fee.

Mr. UNDERWOOD. Are these employees civil service employees?

Mr. ALLEN. All of them; yes, sir.

PRODUCING OFFICIAL GAZETTE.

The CHAIRMAN. The next item is "For producing the Official Gazette, including the weekly, monthly, bimonthly, and annual indexes therefor, exclusive of expired patents, $80,000."

Mr. ALLEN. That estimate supplements the figure of $100,000 for that purpose given us by the general legislative bill for this year, and it is the same figure, I think, which we had last year. The appropriation for 1904 was $100,000, and $80,000 deficiency. We ask for the same thing this year. I think that our work will use all of that, and I do not think it is necessary to ask for more than $80,000. I think that is the necessary figure.

The CHAIRMAN. What do you get back in the way of returns on the Official Gazette?

Mr. ALLEN. For producing the Official Gazette?

The CHAIRMAN. Yes.

Mr. ALLEN. We sell some copies. We distribute 8 copies to libraries and 1 personal copy upon the requisition of each Member of Congress and each Senator. That scatters them widely in that way for the purpose of education. Then, they are used as exchanges with foreign countries for their publications, and with some libraries, and some very excellent publications are received in return for use in our scientific library. They are of value as matters of exchange to us in that way. We do sell some copies. It can not be said, however, that we get back from the sale any great amount of the expense on this account. But the document itself, the Official Gazette, is a great educational instrument by which our operations are scattered broadcast and made available to everybody.

Mr. BURKETT. What do these 8 copies cost that are given to each Member of Congress? How much could you deduct in cost if you cut off that distribution?

Mr. ALLEN. From the 8 libraries designated and the 1 personal copy to go to each individual member?

Mr. BURKETT. Yes. Suppose you cut that off?

Mr. ALLEN. If all were sold at $5 that would make quite a considerable sum.

Mr. BURKETT. I have never found anybody that wanted it, or any library that wanted it. I have written to every library in my district, and every library has written that it did not want it; but I have picked out 8 and sent this Official Gazette to them, just the same.

Mr. ALLEN. They become more voluminous when you get the whole set together. It seemed to me that in my own home—in the manufacturing city of Albany, N. Y.—that Official Gazette is very much used in the public library; and it is also bought by numbers of manufacturers for continual reference in their work. I think it is the one great instrumentality of education of the advance in patents.

REPRODUCING COPIES OF DRAWINGS.

There are two other items for the Patent Office here—"For producing copies of drawings of the weekly issues of patents, $40,000." That supplements an estimate of $100,000, as last year a deficiency of $30,000 supplemented a regular estimate of $100,000. That has been increased this year from $30,000 to $40,000, and that has been done after careful consideration of a change that we have made this year in increasing the number of copies of patents from 75 to 100, although that is an increase that will save the cost of those copies and insure their speedy reproduction, and we will find a considerable portion of it returned by the sale of those patents. I believe it is the best administration to print 100 copies as we are doing now, and I believe the extra cost on that account will all be returned.

The CHAIRMAN. Mr. Commissioner, there is a request here signed by patent lawyers asking that this be added:

And the Commissioner of Patents shall cause to be reproduced any exhausted drawings or specifications for which any person shall make application and pay the fee required by law.

Mr. ALLEN. I will tell you just what there is about that. It is a thing to be very careful about, and here is the reason of it: The fee required by law is not to exceed 10 cents. Some patents have 150

pages, and cost $1.60 a page; 80 cents for 50 pages when they are reproduced. They come in for those jumbo patents. They have all been out and exhausted. I say, "Gentlemen, they are exhausted." They say, "Never mind, I want to lay down 5 cents, and I want you to reproduce that for me." I say, "It will cost $150 against your 5 cents if I reproduce that. We can not reproduce all. I am going to reproduce 50 for that $150, and I will not reproduce that patent because it would take $150,000 to reproduce all exhausted copies. Therefore, I will not reproduce this 100-page jumbo for you for 5 cents, but I will serve 50 men from the amount of our appropriation for what you wish me to do by laying down 5 cents. Go and read that patent in our library, or in any library that has it. I will not refuse to reproduce it for you if you pay its cost to the Government, but if you demand that I reproduce a patent at $150 in order to sell it to you for 5 cents, I tell you I will not, and that money is going to be used to help out 50 men instead of one."

The CHAIRMAN. They can always go and see the papers in your office, can they?

Mr. ALLEN. Yes; or they can go to any library and see them there. But they want to buy for 5 cents a jumbo patent.

The CHAIRMAN. Are they allowed by law to send their clerks in there and make copies themselves?

Mr. ALLEN. Absolutely. I will reproduce these big patents for them if they will pay the actual cost to the Government; but if not, when they are exhausted, I say, "The funds applicable to reproduction shall be put where they will do the most good."

Mr. BURKETT. Where did such a law get in to furnish such a lot of stuff for 5 cents?

Mr. ALLEN. The United States statute provides that the price of printed copies of patents shall be determined by the Commissioner of Patents, but that it shall not exceed 10 cents. We find it convenient to sell them for 5 cents. I call those men selfish individuals who will buy the whole stock at once of jumbo patents—40, or 50, or 60, or 75, or 100 pages—for commercial distribution and at once ask that they be done over again. One of the biggest patents in our Office—I think it ran over over 50 pages—has been reproduced to the number of 700 or 800 copies. We have to sell the whole thing at $2.50—50 copies—and those 50 copies will cost us $150.

Mr. LIVINGSTON. They do it for no other reason, than to buy up those copies to prevent anybody else from finding out what is being done in the Patent Office in that particular line.

Mr. BURKETT. It seems to me your law ought to be amended so as to afford you some protection.

Mr. ALLEN. My dear sir, I went to Congress and said, "Remove that limit, that superior limit of 10 cents which the Commissioner may charge. I assure you I want to charge only 5 cents for 99 per cent of them, but let me take 200 great big jumbo patents out of a general class and put prices on them that will bring back the value of reproduction to the Government, and then we can safely give everything else for 5 cents." Up turned the same committee, that now appears on this letter to fight it. They said, "You can not tell what the Commissioner will do with that." They killed my amendment.

The CHAIRMAN. You could not get your amendment through?

Mr. ALLEN. No, sir. They whipped it.

The CHAIRMAN. "For investigating the question of the public use or sale of inventions for two years or more prior to filing applications for patents and for expenses attending defense of suits instituted against the Commissioner of Patents, $200." You have hitherto been having $250 a year?

Mr ALLEN. Yes. This year it becomes necessary to call for a deficiency estimate for that, because public use proceedings have this year used up that appropriation, and a big proceeding is now pending which has almost brought that appropriation to its end. And we must see it through, and we think it will cost $200 more to get through with it. If we do not use it, it will be returned.

May I trouble you just a moment more, just to say that this additional force in the Patent Office provided by the deficiency bill—can that be used until the end of this year, or can it be used only after the 1st of July?

The CHAIRMAN. Your estimate only asks for it in the next fiscal year.

Mr. ALLEN. Will this be available for the next fiscal year?

The CHAIRMAN. You could not appoint any clerks before the 1st of July.

Mr. ALLEN. This is for the additional force for the year ending June 30, 1906? That is what I wanted to ask.

The CHAIRMAN. Yes.

Mr. ALLEN. I want to urge you to let me have that force if you can. I am sure we need it.

FEBRUARY 18, 1905—1.30 p. m.

INDIAN AFFAIRS.

STATEMENT OF MR. SAMUEL E. SLATER, FINANCIAL CLERK, INDIAN OFFICE.

TRANSPORTATION OF INDIAN SUPPLIES.

The CHAIRMAN. On page 96 of the bill there is the item, "For the necessary expenses of transportation of Indian goods, provisions, and other supplies for the various Indian tribes: That the Secretary of the Treasury is hereby authorized and directed to transfer from the unexpended balance of the appropriation 'Transportation of Indian supplies, 1903,' to 'Transportation of Indian supplies, 1904,' the sum of $20,000 to pay the outstanding indebtedness for 1904." What is the amount of the unsettled claims for 1904?

Mr. SLATER. About $20,000. Instead of asking for a direct appropriation it was thought best to use some of the unexpended balance of the year before.

The CHAIRMAN. You have claims pending amounting to about $20,000 for 1904?

Mr. SLATER. Yes, sir.

The CHAIRMAN. What are those claims?

Mr. SLATER. For the transportation of goods. We transport the goods by common carriers, and we pay the public tariff.

The CHAIRMAN. And you have audited claims amounting to something like $20,000?

Mr. SLATER. Very nearly; yes, sir.

Mr. BURKETT. I do not quite understand this language as to the unexpended balance for 1903. "The appropriation was reduced $25,000 for 1904 against 1903 without any appreciable difference in the expenses for the two years." If you had $41,000 left over in 1903 and the appropriation was only reduced $25,000 you still had $16,000 leeway, and then being $20,000 short, that raised you $36,000 above what was appropriated. We evidently appropriated $16,000 more than you needed according to the year before. That would make $52,000 more for 1904 than 1903?

Mr. SLATER. I think not; only about $5,000.

INDIAN DAY SCHOOLS.

The CHAIRMAN. On page 97 there is an item, "For support of Indian day and industrial schools, and for other educational purposes: That the Secretary of the Treasury is hereby authorized and directed to transfer from the unexpended balance of the appropriation 'Indian schools, support, 1903,' to 'Indian schools, support, 1904,' the sum of $25,000, to pay the outstanding indebtedness for 1904."

Mr. LIVINGSTON. What schools are these?

Mr. SLATER. Schools supported wholly out of the general appropriation and not specifically appropriated for.

Mr. LIVINGSTON. Government schools?

Mr. SLATER. Yes, sir.

Mr. LIVINGSTON. Not denominational schools?

Mr. SLATER. No, sir; not at all.

The CHAIRMAN. The items are carried in the Indian appropriation bill?

Mr. SLATER. Yes, sir.

The CHAIRMAN. What are you going to do the next year—have they provided a sufficient sum?

Mr. SLATER. The appropriation for the fiscal year is $1,300,000, and for the last year it was $1,240,000.

The CHAIRMAN. And you want the $25,000 to pay the bills for 1904?

Mr. SLATER. Yes, sir. It is principally for the pay of employees. The unprecedented growth in the schools made this deficiency inevitable, although we exercised economy to the largest degree.

Mr. BURKETT. The balance of the appropriation of 1903 that was not used, was not that turned back into the Treasury?

Mr. SLATER. It is available for three years from the date of the appropriation.

Mr. BURKETT. What is the object of having it transferred to the year 1904 instead of making a direct appropriation?

Mr. SLATER. Simply to save the authorization of an appropriation. It can be done either way.

INDIAN TERRITORY, INDIAN SERVICE IN.

The CHAIRMAN. On page 98 there is the item "For general incidental expenses of the Indian Service in Indian Territory, including incidental expenses of the inspector's office and for pay of employes, $8,000."

This is an appropriation that has been carried for 1904 and 1905, two years, and you ask for a deficiency of $8,000. What service do you pay out of these incidental expenses?

Mr. SLATER. Almost all of the offices in the Indian Territory are paid out of this appropriation, the office rent of the agent and the offices of the inspectors and all the clerical work.

The CHAIRMAN. Who determines the number of clerks that may be employed?

Mr. SLATER. Primarily, the agent and inspector, but subject to approval by the Department.

The CHAIRMAN. You investigate these matters pretty carefully to see that they do not secure more force than necessary?

Mr. SLATER. Yes, sir.

I notice, Mr. Chairman, that there are three deficiency items relating exclusively to the Indian Territory below the Five Civilized Tribes, and as those are matters under the particular control of the Department proper it is possible that they could make a statement in reference to them better than I can. I thought there were some documents on those points when I came away, but I did not have them convenient.

The CHAIRMAN. Those matters are within the control of the Secretary himself?

Mr. SLATER. Yes, sir; altogether.

The CHAIRMAN. And he looks after them more especially than he does the other items you have been telling us about?

Mr. SLATER. Yes, sir. The details pass through our office, but the policy and general control is primarily in the Department.

Mr. BURKETT. For "general incidental expenses of the Indian Service," your estimate for 1905 was $18,000 and Congress gave you $18,000?

Mr. SLATER. Yes, sir. Next year they are going to give us $10,000 more. In the inspector's office the work has grown so, and will grow for a year or two, that it means more clerks and more expenses. I was under the impression that these matters had been reported on quite fully, and I think there are some documents.

The CHAIRMAN. On page 101 of the bill there is the item: "For clerical work and labor connected with the sale and leasing of Creek and leasing of Cherokee lands, $15,000?"

Mr. SLATER. I think, Mr. Chairman, there is somebody better prepared to speak in detail than I am.

The CHAIRMAN. You know nothing in addition to the note?

Mr. SLATER. No, sir.

The CHAIRMAN. Who is the man who knows about these items?

Mr. SLATER. There are in another branch of the office, under the charge of the land division, one or two men who devote themselves almost exclusively to Indian Territory matters. Mr. Jones was very familiar with them. The new Commissioner has not grown very familiar with them, but there are two or three men in the land division who devote their entire time and who could probably go into the details better than I could.

PURCHASING INDIAN SUPPLIES.

The CHAIRMAN. The next item is, "To pay the expenses of purchasing goods and supplies for the Indian service and pay of necessary employees; advertising, at rates not exceeding regular commercial

rates; inspection, and all other expenses connected therewith, and for telegraphing, for the fiscal year 1904, $1,000." You have expended the $50,000, so the note says, and you need a thousand dollars more to meet outstanding obligations.

Mr. SLATER. Particularly advertising. This is a kind of omnibus appropriation and it is all for the purchase of supplies and advertising. There is a great deal of that done and that regulates itself. There are some few accounts outstanding.

SIOUX INDIANS, PAYMENT TO CERTAIN.

The CHAIRMAN. The next item is, "For payment to fifteen Sioux Indians of Pine Ridge Agency, South Dakota, for property taken from them in the year 1876 by the United States military authorities for reasons of military expediency, while they were in amity with the Government, $6,320." Have you anything to say in addition to what is contained in the document we have?

Mr. SLATER. No, sir; that is pretty complete.

MORRIS, MINN., INDIAN SCHOOL.

The CHAIRMAN. The next item is, "For the support and education of 150 Indian pupils at Morris, Minnesota, $1,000."

Mr. SLATER. That is at Morris, Minn. The schools specifically appropriated for are limited to $166 per capita. They had an epidemic of typhoid fever there, which necessitated their going beyond that sum. Some 75 pupils, I think, had very severe cases of typhoid fever, which caused extra expense, and the present appropriation to conduct the school properly is not sufficient to stand that.

Mr. LIVINGSTON. There is no appropriation for curing typhoid fever in the schoolroom; that is hospital service.

Mr. SLATER. Every school has a hospital; at least the large majority of them do.

Mr. LIVINGSTON. And you took the school fund for hospital purposes?

Mr. SLATER. Yes, sir.

STATEMENT OF MR. GEORGE A. WARD.

INDIAN TERRITORY, INDIAN SERVICE IN.

The CHAIRMAN. We have some items that the gentleman who came before the committee did not seem to quite understand. The first one is "For general incidental expenses of the Indian Service in the Indian Territory, including incidental expenses of the inspector's office and for pay of employees, $8,000." That is a deficiency. You had $18,000 for the expenses during the year?

Mr. WARD. That is for the purpose of paying the employees in the inspector's office. The inspector has no employees except clerks detailed from the Indian agent's office.

The CHAIRMAN. You had $18,000. That was your estimate. How did you happen to exceed the estimate to the extent of $8,000?

Mr. WARD. That was done after conference with the Department, and it was due to the increase in the work.

The CHAIRMAN. What occasioned the increase in the work?

Mr. WARD. A removal of the restrictions and the leasing of lands. The Indian agent there has over 3,000 leases now on file in his office awaiting transmission to the Department, gas and oil leases. It is due to the unusual amount of work.

The CHAIRMAN. Mostly gas and oil leases?

Mr. WARD. Yes, sir. The work has gradually grown and grown until now it is quite a mammoth undertaking.

COMMISSION TO THE FIVE CIVILIZED TRIBES.

The CHAIRMAN. The next item is "To supply a deficiency in the appropriation for Commission to the Five Civilized Tribes, $40,000?"

Mr. WARD. That, according to their estimate, is the amount required until they close the fiscal year.

The CHAIRMAN. This Commission expires this year?

Mr. WARD. Yes, sir; on the 30th of June next.

The CHAIRMAN. Has your Department gone carefully into this estimate and satisfied yourselves as to the necessity for this $40,000?

Mr. WARD. When it passed through our office we were satisfied that it was necessary from the representations made by the Commission. They reported the amount of work done and the amount still to be completed.

TOWN-SITE COMMISSIONS.

The CHAIRMAN. The next item is, "To supply a deficiency in the appropriation to complete the town-site work, appraisement, and survey in the Indian Territory."

Mr. WARD. If that item is included in the Indian appropriation bill—and I understand it is; I have not examined to ascertain whether it is—it ought not to be included in the deficiency bill.

The CHAIRMAN. If it is not included in the Indian appropriation bill, you want it included here?

Mr. WARD. If it is not in the Indian appropriation bill it should be in this bill. The town-site work is also to be completed by the end of the fiscal year.

The CHAIRMAN. The next item is, "To pay all expenses incident to the survey, platting, and appraisement of town sites in the Choctaw, Chickasaw, Creek, and Cherokee nations, Indian Territory, $7,500."

Mr. WARD. That is somewhat similar to this $8,000 provision. That is for the purpose of examining the deeds, recording them, and everything of that character, and keeping track of the amount of money that is paid in by the purchaser of lots. That is all paid to the United States Indian agent and paid in partial payments.

The CHAIRMAN. The next item is, "For clerical work and labor connected with the sale and leasing of Creek and leasing of Cherokee lands, $15,000."

Mr. WARD. That is principally for the purpose of permitting the agents to examine the lessors and the grantors, as the case may be, and to ascertain whether they understand the contract or the deed when they sign it, and all that kind of business.

HOUSE OFFICE BUILDING, DRAFTING ROOM.

OFFICE SUPERINTENDENT
UNITED STATES CAPITOL BUILDING AND GROUNDS,
Washington, D. C., February 14, 1905.

Hon. JAMES A. HEMENWAY,
Chairman Committee on Appropriations,
House of Representatives.

SIR: When the drafting office was established for the preparation of plans for the House office building, no space was available within the Capitol for the execution of the plans or for use as a drafting room. I was therefore compelled to look elsewhere, and I found that the house No. 235 New Jersey avenue SE., at that time occupied by the Bureau of Standards, who were soon to move to their new quarters, was particularly available for our purpose.

Through friendly arrangements made with the Department of Commerce and Labor I was enabled to occupy this building as fast as it was vacated, and the Bureau of Standards assumed the rent until their vacation was complete, which was November 1 last. The rent of this property, amounting to $70 per month, must, therefore, be assumed by this office from November 1 last up to the present time, and for its future use as a drafting room for the House of Representatives, or at least until we are forced out by the demands for more room.

I therefore have the honor to request that the necessary authority be inserted in the present sundry civil bill which will cover the rental of this property from November 1 last up to date, and for its further use as may be required.

Very respectfully,
ELLIOTT WOODS,
Superintendent United States Capitol Building and Grounds.

SATURDAY, *February 18, 1905.*

PENSIONS.

STATEMENT OF MR. JAMES L. DAVENPORT, ACTING COMMISSIONER OF PENSIONS.

The CHAIRMAN. On page 104 of the bill before you, you have an estimate for $4,500,000 deficiency, army and navy pensions. Please explain the necessity for this additional sum of money.

Mr. DAVENPORT. Mr. Chairman, to go back a little, last spring, when Order No. 78 was promulgated in the Bureau, I made an estimate to you that it would cost $5,400,000; at least it would increase our appropriation that much. I find that we can get along with a little less money, so I made the appropriation $900,000 less than $5,400,000, or $4,500,000.

The CHAIRMAN. The $4,500,000 you estimate for takes care of Order No. 78 for how long?

Mr. DAVENPORT. It takes care of it through this year—the present fiscal year.

The CHAIRMAN. In other words, that order has added to the pension roll to the extent of about $4,500,000?

Mr. DAVENPORT. Just a moment, Mr. Chairman. We expended last year $141,093,571.49. That is our last year's expenditure.

The CHAIRMAN. That was for the fiscal year 1904?

Mr. DAVENPORT. Yes.

Mr. UNDERWOOD. How much is that?

Mr. DAVENPORT. $141,093,571.49. That all appears in the Commissioner's report. This appropriation that I ask for only increases that by $417,028.51.

The CHAIRMAN. Then it is difficult for you to ascertain just what additional sum was added by the enforcement of Order No. 78—or can you ascertain?

Mr. DAVENPORT. I could not ascertain exactly until the end of the year, when our report comes out. Then it will be exact.

The CHAIRMAN. But, with this deficiency granted, your expenditures over last year—over the fiscal year 1904—were only increased, in round numbers, to the extent $4,500,000?

Mr. LIVINGSTON. But for Order No. 78 you would not ask for $4,500,000 here?

Mr. DAVENPORT. Probably not.

The CHAIRMAN. This sum would be necessary to pay pensions up to July 1 next?

Mr. DAVENPORT. I have made the best estimate I can, Mr. Hemenway. When I made the estimate last spring of $5,400,000 I did not take into consideration at that time that the Pension Bureau was going to be used for the inaugural ball. If I had known it, I would not have made it quite as much, because we are issuing 600 certificates a day, and our work stops entirely for seven days because of the use of the Pension building for the inaugural ball; and owing to the commotion of building these stands and decorating it, etc., it really takes many more days' work out of our force, and I think that accounts for the $900,000 that I have dropped from my other estimates. I have taken everything into consideration on this, and I believe I have it as nearly correct as it can be in advance.

Mr. UNDERWOOD. I want to ask, Mr. Davenport, if this $4,500,000 asked for in this bill is to pay pensions under Order No. 78, or is it to supply a deficiency for the general pension roll?

Mr. DAVENPORT. It is for the general pension roll.

Mr. UNDERWOOD. And as to the cause of the deficiency, you state that this deficiency would not have occurred if it had not been for Order No. 78?

Mr. DAVENPORT. I do not think it would. I am free to confess that.

Mr. UNDERWOOD. In other words, if we did not allow you a deficiency in this bill, pensions would not be paid between now and the 1st of July—pensions that have nothing to do with Order No. 78?

Mr. DAVENPORT. No.

The CHAIRMAN. In other words, we are paying under this Order No. 78 and by other laws, so that if this were not granted you would not only hold up payment of pensions granted under Order 78, but it would discontinue pensions generally after the present funds are exhausted?

Mr. DAVENPORT. It would force us, Mr. Chairman, to withhold all certificates during May and June, probably, in order to catch on to our next year's appropriation. That would be the result if we did not get this appropriation.

Mr. UNDERWOOD. So that it may go into the House, Mr. Chairman, I would like to state that I do not believe we have a right, as the committee knows, to pay these pensions under Order No. 78. I do not believe they are legal, and if this amount was to pay for Order No. 78 I would move to strike it out; but as it is to pay general pensions, of course I have no desire to make that motion.

DEPARTMENT OF JUSTICE.

STATEMENT OF MR. O. J. FIELD, CHIEF CLERK, ACCOMPANIED BY MR. J. J. GLOVER, CHIEF OF DIVISION OF ACCOUNTS, AND MR. E. M. KENNARD.

BOOKS FOR LAW LIBRARY.

The CHAIRMAN. The first item is, "For books for law library of the Department, $850."

Mr. FIELD. That amount is asked for to carry us through this fiscal year. The Department has for several years submitted for the regular estimate $3,000, which has been granted, $2,500 in the regular appropriation and $500 in the deficiency.

The CHAIRMAN. You only submitted an estimate of $3,000 one year. From 1898 to 1900 the estimate was $2,000, from 1901 to 1904 the estimate was $2,500, and for 1905 the estimate was $3,000.

Mr. FIELD. Yes, sir. There has been a deficiency of $500 for several years. That is needed to carry on the purchase of law books and periodicals for the law library, and the $350 additional is asked for—making the $850—to purchase a set of the Federal Reporter and Digest.

Mr. BURKETT. Have you not the Federal Reporter now?

Mr. FIELD. We have one or two sets, but the Department is so scattered, and with seven or eight Assistant Attorneys-General, it is necessary that we should have another set. A large part of this deficiency is asked for that we may purchase one more set of those books.

STATIONERY.

The CHAIRMAN. "For stationery" you ask a deficiency of $1,000.

Mr. FIELD. The total expenditures last year were $3,950. Four thousand dollars has been appropriated for next year. The expenditures up to the 1st of February have been $2,400, which is just at the rate of $4,000 a year. It is not seen how we can get through with less than that amount for this year.

MISCELLANEOUS EXPENSES.

The CHAIRMAN. The next item is "Miscellaneous expenses."

Mr. FIELD. The expenditures under that appropriation last year were $15,000 and the estimates for 1906 were $15,000. The appropriation for next year is $13,500. Up to the 1st of February the

expenses have been $7,700, leaving a balance of only $2,500. This is one of the large supply appropriations and the expenditures have been about $1,100 a month, which is from $13,000 to $14,000 a year. I would like to speak of the necessity for ample appropriation under this fund, as it includes all of our supplies, telegraph, and telephones, and if there is any shortage we simply have to stop for the time being and wait until next year. It is not one of the appropriations that can be cut down or curtailed.

Mr. BURKETT. How much did you expend for books of reference, which properly belongs to your other appropriation?

Mr. FIELD. That is a very small amount—certainly not more than $100 or $200—and even that is governed by the decision of the Comptroller of the Treasury, who has ruled that books for the law library must be paid for from this other appropriation. That does not amount to more than $100 or $200 or $300 a year.

JUDICIAL.

The CHAIRMAN. The next item is, "For salaries of clerks, commissioners, and constables and expenses of commissioners and judges in the Indian Territory, $1,000."

Mr. KENNARD. That deficiency is due to the fact that we have four additional judges in the Indian Territory which has increased the traveling expenses somewhat. This amount will certainly be needed and we think it is a conservative estimate.

Mr. BURKETT. When did you get the additional judges?

Mr. KENNARD. By the act of April 28, 1904.

Mr. BURKETT. You have had them some time?

Mr. KENNARD. We had them for a month or two in 1904, not long enough to amount to anything.

UNITED STATES COURTS.

MARSHALS, FEES, AND EXPENSES.

The CHAIRMAN. On page 117 of the bill there is the item, "For payment of salaries, fees, and expenses of United States marshals and their deputies, to include payment for services rendered in behalf of the United States or otherwise, for the fiscal year 1905, $60,000."

Mr. KENNARD. I have prepared two memoranda on the United States courts.

Mr. GLOVER. The first paper is concerning the causes of the deficiency, and the second paper prepared makes some few reductions.

Mr. KENNARD. In the first item we make a reduction of $10,000. The memoranda submitted are as follows:

MEMORANDUM BRIEFLY NAMING CERTAIN CAUSES OF DEFICIENCIES, UNITED STATES COURTS.

In Colorado numerous timber-depredation cases are causing considerable extra expense. The Department has four or five parties continually in the field, each of which consists of several persons investigating these matters and obtaining evidence upon which to base prosecution.

Land-fraud cases in California, Oregon, and Montana are creating extra expense under various court appropriations, and also the investigation of naturalization frauds in New York and a number of other States.

In addition to the above unusual matters there are pending in Nebraska alone about 400 cases involving unlawful occupancy of public lands out of which a considerable number of civil cases will undoubtedly arise.

It should be particularly noted that a very large increase of court expenses is due to the appointment of four additional judges in Indian Territory and the establishment of eight courts instead of four. The volume of court business transacted in the Indian Territory is simply enormous.

There has been a material increase in that class of cases in which it is necessary to employ experts, transport prisoners long distances, and call witnesses from portions of the United States remote from the place of trial.

There has also been a general increase of court business. Throughout the West and Middle West the unusual activity is particularly marked, while in the districts of Massachusetts and New Jersey there has been so much judicial business that it requires the services of an additional judge.

MEMORANDUM CONCERNING THE AMOUNTS NEEDED FOR EXPENSES OF UNITED STATES COURTS.

Since the reports for the deficiency bill were called for by Congress, advances for the quarter ending March 31, 1905, have been more nearly completed and it is now possible to more closely approximate the deficiencies in appropriations for United States courts.

Upon a very careful investigation of the matter it is found that a deficiency appropriation of $50,000 for salaries, fees, and expenses of marshals, instead of $60,000, as originally estimated; an appropriation of $125,000 for fees of jurors, instead of $135,000; and an appropriation of $40,000 for fees of witnesses, instead of $50,000, will probably be sufficient. No reduction can be properly made in the estimates of deficiencies under the appropriations for pay of bailiffs, and miscellaneous expenses, United States courts.

It is hoped that no reductions other than those herein suggested will be made by the committee. There is no sign of diminution in the present rush of court business, and unless there should be exceptionally warm weather, it will probably continue until late in June. The appropriations requested will undoubtedly be needed, and it would be exceedingly embarrassing, as well as detrimental to the public service, would actually cause the postponement of judicial business, and would increase the cost to the United States of the administration of justice, if sufficient funds are not provided.

ATTORNEYS, SALARIES AND EXPENSES.

The CHAIRMAN. "For salaries of United States district attorneys, and expenses of United States district attorneys and their regular assistants, for the fiscal year 1905, $10,000?"

Mr. KENNARD. That amount will be needed. We expended under that appropriation the full amount for the fiscal year 1904, and you

know there are certified claims of about $7,000, which will bring it up to $450,000.

Mr. BURKETT. We have given you the estimate each year?

Mr. GLOVER. Yes, sir.

Mr. BURKETT. Why did you fall down on that?

Mr. GLOVER. We estimated for $440,000 and the expenses were $449,000. It is difficult to determine exactly what they will be. The expenses vary. The salaries of the attorneys are fixed by law, but the expenses vary according to circumstances. The many places of holding court increase the expenses very considerably.

CLERKS, FEES OF.

The CHAIRMAN. The next item is "For fees of clerks, United States courts, for the fiscal year 1905, $40,000."

Mr. GLOVER. We explained that item fully when we were here before.

The CHAIRMAN. Can you reduce the amount?

Mr. GLOVER. No, sir.

JURORS, FEES OF.

The CHAIRMAN. The next item is "For fees of jurors, United States courts."

Mr. KENNARD. We have made a slight reduction of $10,000 according to the memorandum that we have filed.

The CHAIRMAN. That will be $125,000?

Mr. KENNARD. Yes, sir.

WITNESSES, FEES OF.

The CHAIRMAN. The next item is, "For fees of witnesses, $50,000."

Mr. KENNARD. We have made a reduction there of $10,000.

RENT OF ROOMS FOR UNITED STATES COURTS.

The CHAIRMAN. The next item is, "For rent of rooms for the United States courts and judicial offices, $15,000."

Mr. KENNARD. That amount is all needed.

Mr. BURKETT. Do you hold court where there is no Government building?

Mr. GLOVER. Yes, sir. There was an item at Chicago of $30,000 for that purpose.

BAILIFFS AND CRIERS.

The CHAIRMAN. The next item is, "For pay of bailiffs and criers, $35,000."

Mr. KENNARD. We have not been able to make any reduction in that item. We have figured on it very closely.

MISCELLANEOUS EXPENSES.

The CHAIRMAN. You are asking for $175,000 for the payment of miscellaneous expenses?

Mr. KENNARD. We would like to have a little change made in that language, because you failed to add to the sundry civil bill the clause

making miscellaneous expenses available for such expenses in Alaska, and therefore in order that we may be able to use that appropriation for those expenses we would like to have the words "and like appropriation for 1906 shall be available for such expenses in the district of Alaska."

The CHAIRMAN. We would like you to make an explanation just as briefly as you can in regard to this legislation.

Mr. GLOVER. This legislation is necessary because miscellaneous expenses and incidental expenses up in Alaska have been paid out of money in the control of the courts that arose from fines and forfeitures and from licenses to carry on various kinds of business and the taxes on canneries. On each can of salmon there is a tax of 4 cents, and so on. Now, this legislation which was approved the 27th day of January, turns those funds mostly into the Treasury. Up to that time one-half of the licenses collected outside of the incorporated towns were available for court expenses, and the collections from the canneries were also available for court expenses, but under that bill they are no longer available. They go into the Treasury and become available for building roads in Alaska and for taking care of the insane, and so on.

Mr. LIVINGSTON. The Insane?

Mr. GLOVER. Yes, sir.

Mr. LIVINGSTON. I did not know they had any insane in Alaska.

Mr. GLOVER. A good many people go insane there.

The CHAIRMAN. We do not get any money in the Treasury; they take it all for building roads and for running the business up there, and so they shift these expenses on you?

Mr. GLOVER. Yes, sir; 25 per cent of it is for schools, 5 per cent is to care for the insane, and the residue for roads. You see it leaves no license money whatever.

Mr. LIVINGSTON. And you are compelled to come to Congress for a direct appropriation to meet those expenses?

Mr. GLOVER. Yes, sir.

Mr. KENNARD. We ask for a proviso as to the disposition of the balance in the hands of the clerk at the time this act went into effect.

The CHAIRMAN. Please explain the reason for that proviso.

Mr. GLOVER. There are certain expenses that under either the civil code or the criminal code of Alaska are made payable out of funds in the hands of the courts. That fund being taken away, of course those incidental expenses must be paid out of the appropriation, and we thought it necessary to have this legislation to excuse the Department for paying it out of this appropriation. We were a little doubtful as to the interpretation, and so we put in a proviso to make all the money in the hands of the court on the 26th day of January available for court expenses still available notwithstanding that act. I called up Senator Nelson about that matter and he said it was all right, and he gave me to understand that he would not oppose it in the Senate.

SATURDAY, *February 18, 1905.*

DEPARTMENT OF COMMERCE AND LABOR.

STATEMENT OF MR. JAMES R. GARFIELD, COMMISSIONER OF CORPORATIONS.

The CHAIRMAN. This is the general deficiency bill, Mr. Garfield. The matter you refer to has been sent up here, has it?

Mr. GARFIELD. I suppose it has. It has been sent to the Treasury, and Secretary Metcalf tells me that it has been forwarded to Congress. It recommends the use of any unexpended balance of the lump sum for the Bureau of Corporations. It is a request similar to that made a year ago, that the lump sum used for special investigations shall be made available. Of course, we can never tell just how closely that will be used up, and Congress has recently authorized the prosecution of two special investigations—one of the steel industry and the other of the oil industry—and those are both in progress now, and I simply desire that the Bureau of Corporations may have the benefit of any unexpended balance that may be left at the end of this fiscal year. Of course, just what that may be I can not tell as yet.

The CHAIRMAN. Will you send us the provision?

Mr. GARFIELD. I sent it to the Treasury, and I understood it was transmitted from the Treasury to the House of Representatives.

The CHAIRMAN. You want the unexpended balance made available, so that you can carry on these investigations which you are directed to make by Congress?

Mr. GARFIELD. Yes, sir.

The CHAIRMAN. Does the statement which you have sent inform us as to the amount of the balance?

Mr. GARFIELD. I can not state exactly as to that. From now on we will employ these special agents. I imagine it will be possibly $15,000 or $20,000. If I can get the agents I want into the field, it will run down to much less than that.

The CHAIRMAN. What is the balance now?

Mr. GARFIELD. It is now $46,000, if I remember my figures aright, but if I can get the agents I want sent out into the field it will be somewhere near $15,000 or $20,000, or perhaps less than that.

The CHAIRMAN. You want any balance that may remain at the end of the fiscal year reappropriated for the coming year?

Mr. GARFIELD. Yes, sir; and the items are shown in the letter of the Secretary of the Treasury. They were, I presume, for special attorneys and special examiners and temporary assistants—I think some $10,000 for those and $15,000 for per diem. That was the total appropriation.

BUREAU OF STATISTICS.

STATEMENT OF MR. O. P. AUSTIN, CHIEF OF BUREAU.

The CHAIRMAN. On page 127 of the bill there is the item, "For the purchase of special information through the United States consuls, for publication as a part of the consular reports issued under the direction of the Secretary of Commerce and Labor, being for the serv-

ice of the fiscal years 1905 and 1906, $7,500." What is the necessity of that?

Mr. AUSTIN. We frequently call upon the consuls or request the State Department to call upon the consuls for certain special information and frequently they report that the information is so difficult to obtain that they can not do it without some special allotment of funds. If we had $50 or $100, hardly more than $200, we could secure the information. We have asked the State Department to furnish the information and they have responded that they had no fund with which they can do so, and that is the cause for making this request. I do not really think that so much money will be required.

The CHAIRMAN. How much do you think will be necessary?

Mr. AUSTIN. I should say $5,000 would cover the two years.

Mr. BURKETT. Why could you not take it out of your general appropriation?

Mr. AUSTIN. Because there is only a special allotment to each clerk.

Mr. BURKETT. Have you provided for this in the bill next year?

Mr. AUSTIN. No, sir; this appropriation is for the two years, as I understand it.

Mr. BURKETT. Why did you not get it in the regular bill?

Mr. AUSTIN. It came along late after the regular bill had been prepared. The State Department had made small allotments and finally, I suppose, they came to the end of their fund.

Mr. BURKETT. The consuls have been making a great many reports?

Mr. AUSTIN. Yes, sir; they are making reports constantly, but these are special cases where we call for special information and in which they say occasionally that the information is such that they must have the assistance of a stenographer.

Mr. LIVINGSTON. In other words, it costs something to get the information?

Mr. AUSTIN. Yes, sir.

Mr. LIVINGSTON. And they do not want to take it out of their fees?

Mr. AUSTIN. Yes, sir; that is right.

BUREAU OF STANDARDS.

STATEMENT OF MR. S. W. STRATTON, DIRECTOR.

EXTRA LABOR.

The CHAIRMAN. You ask "For extra labor during the fiscal year 1905, necessary in connection with the installation of apparatus and equipment in the new physical laboratory of the Bureau of Standards, $750." What is the necessity for that?

Mr. STRATTON. The trouble is that we have not any labor of that kind. We are using our two watchmen for the purpose. The legislative bill provides for two laborers to begin the 1st of July, but up to that time we are in difficulty.

The CHAIRMAN. The watchmen can serve up to that time?

Mr. STRATTON. Yes, sir; by leaving the buildings without watchmen. I do not think that is good policy, and I would hardly like to do it.

The CHAIRMAN. You have been getting along without them. Is this some new work you are doing; you moved into the new building?

Mr. STRATTON. Yes, sir. We have simply been handicapped the whole year for lack of labor. We have not men to shovel the dirt or do anything of that kind.

The CHAIRMAN. How many laborers have you?

Mr. STRATTON. Two. One we are now using as a fireman.

The CHAIRMAN. Why?

Mr. STRATTON. Because we have to keep the boilers going and we have to keep the building heated.

The CHAIRMAN. What does the legislative bill give you?

Mr. STRATTON. A new fireman.

The CHAIRMAN. And two laborers?

Mr. STRATTON. Yes, sir.

IMPROVEMENTS.

The CHAIRMAN. The next item is "For covering with wood the concrete floors on the ground floor of the physical laboratory of the Bureau of Standards, $2,000." That is in your new building?

Mr. STRATTON. Yes, sir. The two items can be taken together because the same remarks will apply to both; the painting of walls, $2,500. I might say that the architect when he planned the building set aside a certain contingent fund, but when the bids came in they took the lowest bid, and it was a little too close to the amount of the appropriation, but notwithstanding the bid we have $4,000 or $5,000 for contingencies as they come up. I think the reason the lowest bid was very near to the amount allowed for the building was the fact that between the preparation of the plans and the getting of the bids labor and materials went up very high indeed, and the architect rather underestimated the cost of getting the materials out to the place. It is out in the country and up on a hill. So these two items were left out.

The CHAIRMAN. These appropriations will complete your buildings and put them in good shape?

Mr. STRATTON. Yes, sir. On the ground floor there is just rough concrete and we propose to cover that with wood. The walls are just plastered, they have no coating of any kind; there is no finish to the walls at all.

The CHAIRMAN. The next item is "For fuel for heat, light, and power; office expenses; stationery, printing and binding, books and periodicals; traveling expenses; expenses of the visiting committee; expenses of attendance of American member at the meeting of the International Committee of Weights and Measures, and contingencies of all kinds, $1,500, $100 of this amount to be available to meet deficiencies in the appropriation 'General expenses, Bureau of Standards, 1904.'" Please explain that deficiency?

Mr. STRATTON. The estimate for coal this year went in a year ago last October. We were not then in this building. We had no data as to the amount of coal required, and we were short about a hundred tons. That is $750. The freight expenses and the drayage moving from our old place out to the new place has been very much larger than we expected. We have had our entire outfit to transfer, and I think the freight and regular drayage bills have been something like $1,500 up to date.

As to the international committee, that is a matter which the Government has provided for the last twenty years. They have a meeting

of this committee every three or four years. We never know beforehand where the meeting is going to be, and yet we must be prepared to meet the expenses if the meeting is called. A meeting has been called for this year. It meets in April. I am allowing $350 for the expenses of this member of our committee to Paris. I expect to go myself, and I shall keep it within that amount.

The CHAIRMAN. Tell us about the new building, for which, we understand, an estimate has been sent to Congress.

Mr. STRATTON. We had planned in our outfit that we must have an apparatus to produce low temperatures for the purpose of the liquifaction of air, hydrogen, and other gases, and some little place for air compressors, and so on. We planned to get it next year. We found at St. Louis a plant that the British Commission had built for them and it was for sale at about one-third of its cost. We purchased it out of our equipment fund for $7,500—a plant that cost $25,000 and one which we should have to pay that amount for within the next two years. If we install it in the mechanical laboratory we would have to do it on a very small scale or we would have to build a small frame structure outside. A temporary installment would cost us a thousand dollars either inside or outside and the better plan is to erect a suitable small brick addition to our mechanical laboratory which will cost about $12,500. That is the item referred to. I have here a copy of the letter submitted to the Secretary in regard to the last item.

The letter submitted by Mr. Stratton follows:

WASHINGTON, D. C., *February 14, 1905.*

The SECRETARY OF COMMERCE AND LABOR,
Washington, D. C.

DEAR SIR: I have the honor to recommend that the necessary steps be taken to secure an appropriation of $12,500 for the purpose of erecting a small low temperature laboratory in connection with the mechanical equipment of the Bureau of Standards. The Bureau has recently purchased at a very great reduction in price the apparatus for the purpose of the liquifaction of air, hydrogen, and other gases, which apparatus was exhibited by the British Commission at the St. Louis Exposition. This apparatus will be used in connection with the testing of temperature-measuring instruments, temperature coefficients, investigations of materials, and other work of the Bureau requiring low temperatures. To install this machinery temporarily in the mechanical laboratory would involve a rearrangement of the machinery of that building and would not provide adequate space for its operation, hence it is proposed to enlarge the space available for machinery in the mechanical laboratory by the erection of a small brick building adjoining it.

Respectfully, ——— ———.

LIGHT-HOUSE ESTABLISHMENT.

STATEMENT OF CAPT. URIEL SEBREE, U. S. NAVY, NAVAL SECRETARY.

The CHAIRMAN. "For salaries, fuel, rations, rent of quarters where necessary, and all other necessary incidental expenses of not exceeding 1,650 light-house and fog-signal keepers and laborers attending other lights, $15,000." What is the necessity for that?

Captain SEBREE. To keep the light-houses in operation. We have not enough money to pay the salaries at the regular rate allowed by law until the 30th of June and put others in commission that are all ready to be lighted and that are authorized and completed. Since

that estimate has been made I would like to say two months have gone by and we shall not need quite $15,000.

Mr. LIVINGSTON. How much will you need from the 1st of March?

Captain SEBREE. That will be four months instead of six months. When that estimate was made in December the actual amount required to meet those already burning was $7,695.56, and then to maintain the additional ones that are all ready to light, but where we can not appoint keepers for them until we get more money, was then practically $6,974. So if we can get the money by the 1st of March $13,000 will be sufficient.

The CHAIRMAN. The next item is, "For seamen's wages, rations, salaries, supplies, and temporary employment, etc., $20,500."

Captain SEBREE. That appropriation was for five new light-ships that were completed, and we could not put them on the stations. Now two months have gone by and the total amount required will be about $13,000 instead of $20,500.

BUREAU OF IMMIGRATION.

STATEMENT OF MR. FRANK P. SARGENT, COMMISSIONER.

The CHAIRMAN. On page 132 of the bill there is the item: "Expenses of regulating immigration: For additional dredging in and about Ellis Island, New York Harbor, payable from the permanent appropriation for expenses of regulating immigration, $10,000."

Mr. SARGENT. We would like to have that amount, sir.

The CHAIRMAN. Why?

Mr. SARGENT. Because we have recently run aground there outside of the slip and came near doing some pretty serious damage. We have discovered that there must be some dredging done. We made inquiries to get the War Department to do it, but they said that we would have to do it ourselves, and we ask you gentlemen to give us the privilege of doing it. We did some dredging inside of the slip, took out some rocks through the assistance of the War Department, but this is outside where we will have to do it ourselves.

The CHAIRMAN. If you do not do it, what is likely to be the danger?

Mr. SARGENT. There may be a hole jammed into our $100,000 boat.

The CHAIRMAN. And you think it is better to do this dredging than to take the chance?

Mr. SARGENT. Yes, sir; I think this is a good business proposition. I tried to avoid asking for it, but when I found that we could not get it done any other way I had no hesitation in making the application.

The CHAIRMAN. You want a proviso, "That the necessary expenses incident to the detention of aliens ordered deported, whose attendance as witnesses is required in behalf of the United States in prosecutions arising under the immigration laws," etc. Have you anything to say in addition to the note?

Mr. SARGENT. No. We have our station under way. It will be about completed in two months. We have no way to furnish it with beds and kitchen furniture and the necessary materials.

The CHAIRMAN. And being a specific appropriation for this station, unless we put in the proviso you can not furnish it?

Mr. SARGENT. No, sir. We will have about $50,000 when the building and the approaches and fences are completed, and we will have

nothing to furnish it with, and we ask to have the change made to furnish it as we do our other buildings.

The CHAIRMAN. What will it cost to furnish it?

Mr. SARGENT. I can not say, because I do not know how many beds we will require. The expenses of furnishing will not be very heavy, because it is a small station. Of course we have accommodations there for probably 200 sleeping quarters and the beds will cost probably about $3 each.

BUREAU OF THE CENSUS.

STATEMENT OF MR. S. N. D. NORTH, DIRECTOR.

COLLECTING COTTON STATISTICS.

The CHAIRMAN. Kindly explain to us the necessity for the appropriation asked for in House Document No. 325.

Mr. NORTH. Mr. Chairman, I am not responsible for the existence of this legislation, but I find it on the statute books. I suppose that Congress enacted it with the intention of having it carried out. It will cost us at least $125,000 to double the number of cotton-gin reports. Even at that figure we shall have to cut the compensation of the agents we employ for this work down to a sum which we figure to be about $2.60 a day as their compensation while they are in our service on this work. It is very much less than appears on the face, because they have out of the sum to pay all the deputies they find it necessary to employ and all their traveling expenses, including the hire of carriages or railroad expenses.

It makes me a little bit ashamed of myself to ask men to do this work for so small a sum of money, but we will try it if you give us the $125,000 which is mentioned in the letter of the Secretary.

The CHAIRMAN. Let me understand. If we appropriate $125,000, you will send out a force of traveling agents who will ascertain the amount of cotton ginned?

Mr. NORTH. They will make semimonthly reports instead of monthly reports.

Mr. LIVINGSTON. You have now under the present law one man in each county who does that work?

Mr. NORTH. We have 667 agents now employed in making these monthly reports.

Mr. LIVINGSTON. Do you pay them?

Mr. NORTH. Yes, sir.

Mr. LIVINGSTON. How?

Mr. NORTH. On the basis of the amount of work done. The average pay which we are now giving these men is $2.91 a day for the period during which they are employed, and only during that period.

Mr. LIVINGSTON. How much do you pay out in that way now?

Mr. NORTH. One hundred and twenty-five thousand dollars a year.

Mr. LIVINGSTON. On the cotton-gin business alone?

Mr. NORTH. Yes, sir. There are a great many people who think it is money most justly invested and that is my own belief, although I am not going to make an argument.

Mr. LIVINGSTON. How often do you make a report?

Mr. NORTH. Monthly at present.

Mr. LIVINGSTON. Now they want you to make it twice a month. Congress says you have to do it.

Mr. NORTH. It looks very much like a mandatory provision.

Mr. LIVINGSTON. What is the balance of that resolution?

Mr. NORTH. I have the resolution in my hand. There is a good deal in this resolution which is troublesome.

That the Director of the Census be, and he is hereby, authorized and directed to collect and publish in connection with the ginners' reports of cotton production provided for in section nine of an act of Congress entitled "An act to provide for a permanent Census Office, approved March sixth, nineteen hundred and two," statistics of the consumption of cotton, the surplus of cotton held by the manufacturers, and the quantity of cotton exported, the statistics to be summarized as of September first each year so as to show the cotton production and consumption of the preceding year.

And the Director of the Census shall make semimonthly publication of the amount of cotton ginned in lieu of the monthly reports which he now makes.

That the Director of the Census be, and he is hereby, authorized and directed to collect and publish the statistics of and relating to marriage and divorce in the several States and Territories and the District of Columbia since January first, eighteen hundred and eighty-seven: *Provided*, That such statistics as now required by law to be collected be used so far as it is practicable to do so.

There are three separate and distinct new duties which have been placed upon the office by this single piece of legislation. We feel that the first of these, the collection of the statistics of cotton, can be made without any great expenditure of money by correspondence directly with the mills, and we are not in a position where we think we ought to ask any additional appropriation for that portion of this work. We feel that we want to try at least for one year and see if it can not be done without any expense. As to the third proposition, the statistics of marriage and divorce, that is going to cost some money. The best estimate that I can make of the cost of the field work is about $50,000. I have not asked the Secretary to recommend that it be inserted in this year's bill, because I felt that under all the circumstances we might perhaps be warranted in not attempting to begin that work until another appropriation bill could be enacted. At the same time I think that it is perhaps proper that I should call the attention of the committee to the fact that this last provision of the law was enacted on the recommendation of the President, who sent a special message to Congress in regard to the matter, and it is my opinion that the President is anxious that the work shall be begun and completed as soon as possible.

The CHAIRMAN. Did we not secure statistics as to marriage and divorce a short time ago through the Census Office?

Mr. NORTH. It was done through the then Department of Labor, now Bureau of Labor, and completed in 1887, about twenty years ago, and it has not been touched since then. That was the last report on the subject.

Mr. LIVINGSTON. Let us get back to the cotton-ginning business. You take a man in a county. Your agents generally live at the county seat?

Mr. NORTH. As a rule their home is at the county seat.

Mr. LIVINGSTON. That man has to take a horse and buggy at his own expense and go out over the county to the gins twice a month?

Mr. NORTH. Yes, now, under the law.

Mr. LIVINGSTON. I do not see how he can do that for that amount of money.

Mr. NORTH. It is very meager.

Mr. LIVINGSTON. I think the man will slip up on it. He will go part of the way and find somebody who knows something about the gin and ask him. Take a gin that is out 15 miles; a man would have to pay $2.50 or $3 a day for a horse and buggy, and he could barely drive out there and back in one day.

Mr. NORTH. A good many of these agents own their own conveyances.

Mr. LIVINGSTON. Where they own their own conveyances that is different.

Mr. NORTH. They are very much in the situation of the rural free-delivery letter carriers, and we have endeavored in adjusting this service to assimilate it as nearly as possible to that rural service. If you gentlemen could secure the enactment of a law which would authorize the rural free-delivery carriers to do this work for us you would get it done very much cheaper. I presume the Post-Office Department would object to it, but at the same time it has been to me obvious, ever since we began this work, that the rural free-delivery carrier goes day after day from house to house, is the man who knows the neighbors and who commands their confidence, as a rule.

Mr. LIVINGSTON. And he is a sworn officer of the Government, and when he goes to a gin and makes a false report you have him.

The CHAIRMAN. Why could you not get the gins to send the reports to you every fifteen days?

Mr. NORTH. There are 30,000 of these ginners in the South. Not all of them are men who appreciate the importance of this work. Not all of them are men who are altogether up to the average intelligence, although many of them are. We have canvassed that subject a great many times and we have reached the conclusion that if we depend upon the ginners alone that the report will be a failure.

The CHAIRMAN. But if you made them understand that there was a penalty attached to it?

Mr. LIVINGSTON. You could not do that.

Mr. NORTH. It would be a very delicate proposition to attempt, I think.

The CHAIRMAN. About what is the average employment of these men now?

Mr. NORTH. It takes them about ten days to make a monthly report. Of course if they make it semimonthly it will be twenty days, twenty days out of twenty-six working days in a month.

The CHAIRMAN. And they get about $2?

Mr. NORTH. I have gone into all those details; their daily compensation averages $2.91 at the present time.

The CHAIRMAN. Do you have a great deal of trouble about deciding whom to appoint?

Mr. NORTH. We have a splendid body of men who have been named to us as a rule by the members of Congress from the districts in the Southern States with the understanding that the people in the community will hold the members of Congress responsible for the selection of the men, and I am bound to say that with very few exceptions we have secured a splendid body of agents. Of the 667 agents we have in the field 117 are county officials, sheriffs, deputy sheriffs, tax collectors, tax assessors, and so on.

The CHAIRMAN. The people who report on the wheat crop in the different States——

Mr. NORTH. That comes under the Agricultural Department.

Mr. LIVINGSTON. That is nothing of this kind.

Mr. NORTH. Our work differs from the work of the Agricultural Department work, because their reports are estimates. Our reports are counts of the number of bales of cotton actually ginned.

The CHAIRMAN. You do it by actual counting at the gins?

Mr. NORTH. The mumber of bales ginned at each gin.

The CHAIRMAN. Do they gin cotton during the whole year?

Mr. NORTH. No, sir; about six months.

The CHAIRMAN. If you carry this law into effect you will need this additional appropriation?

Mr. NORTH. We must absolutely have it.

MARRIAGE AND DIVORCE STATISTICS.

I have made a reference to the marriage and divorce proposition of the bill. If you gentlemen would like to help me along with $25,000 on that business, I should be very much obliged to you.

The CHAIRMAN. Can you do anything with it unless you have an appropriation?

Mr. NORTH. Not this year.

Mr. LIVINGSTON. The law is mandatory?

Mr. NORTH. It fixes no date as to when I shall begin it.

The CHAIRMAN. How would you go at that work?

Mr. NORTH. Send agents practically to every county where there is a court of record that grants divorces. That is the only way it can be done.

The CHAIRMAN. What are you directed to do, just ascertain the number of divorces?

Mr. NORTH. We must ascertain the ground upon which the divorce is asked, the cause of the divorce, the nativity of the people divorced, and the general census of the whole business.

Mr. LIVINGSTON. Can you do that for $25,000?

Mr. NORTH. I think it is very doubtful.

Mr. LIVINGSTON. Are you willing to try it with $25,000?

Mr. NORTH. Yes, sir; I am willing to try it.

The CHAIRMAN. That will carry you up to July 1?

Mr. NORTH. Yes, sir. I believe the President would be very much gratified if that additional sum of money was put into this bill.

The statement submitted by Mr. North follows:

COTTON GINNING INQUIRY.

1. Number canvasses for crop of 1904	6
2. Average number of days required by agents to make canvass (estimated)	10
3. Average number of ginneries canvassed per agent for each report	50
4. Average compensation per agent	$171.51
5. Average daily compensation per agent	$2.91

This compensation covers all expenses incident to canvassing the ginneries either in person or by trusted deputies. (The compensation of the agents has been computed on the basis of the number of establishments to be canvassed, the facilities for travel, and the general local conditions.) The compensation is minimum, no provision being made for weather conditions and impassable roads, which in many localities are important factors during the winter months.

The time required for this work interferes with the private occupations of the agents during the ginning season, and yet the amount allowed for the cotton ginning work is not sufficient to compensate for their entire time.

A resigning agent writes as follows:

"These reports require about one-third or more of a person's time, yet he is unable to engage in any other business on account of the interruptions."

If the number of reports and compensation be doubled for next season, probably two-thirds of the time of the agents will be required for these canvasses.

The increased number of reports and the limited time allowed for the canvasses will necessitate increasing the number of agents from 667 to 800. $250,000 for 12 reports will allow $2.60 per day to each agent.

Of the 667 persons employed in the work of collecting the statistics of cotton ginning 117 are county officials, such as sheriffs, deputy sheriffs, tax collectors, tax assessors, etc.

As a rule these agents are located at the county seat.

DEPARTMENT OF AGRICULTURE.

STATEMENT OF HON. JAMES WILSON, SECRETARY, ACCOMPANIED BY DR. D. E. SALMON, CHIEF BUREAU OF ANIMAL INDUSTRY, AND MR. GIFFORD PINCHOT, FORESTER.

BUREAU OF ANIMAL INDUSTRY.

The CHAIRMAN. At the bottom of page 125, for Bureau of Animal Industry, there is the item "To supply a deficiency in the appropriation," and you ask for $150,000?

Secretary WILSON. Yes, sir. I wish you would hear Dr. Salmon in charge of this work. He is acquainted with the details.

The CHAIRMAN. Very well. Please explain to us the reason for this deficiency.

Doctor SALMON. Mr. Chairman, at the time the current appropriation bill was passed we had very little idea that the work in regard to the cattle mange and sheep scab would take the expenditure which has been required. The cattle mange and sheep scab has been an emergency, because the existence and prevalence of the disease was not known, at least accurately, until the present year and after the current appropriation bill was passed. It was then found that the disease was spreading very widely over the West. Different States made regulations requiring that infected cattle and exposed cattle should be kept out of the States, and some of them went so far as to prohibit the introduction of any cattle unless they had been inspected and certified by the inspectors of the Bureau of Animal Industry.

In February, 1903, Congress passed a law providing that animals which had been inspected and certified by the Bureau of Animal Industry might go through any State to market without further inspection, or leaving the inspection with us, and that rather forced on the Department the inspection of animals from States where such disease existed, and has led other States to pass laws requiring inspection and certification. As a consequence of that discovery of the wide distribution of cattle mange the Bureau has put inspectors over the whole western country, in the country west of the Missouri River, and in Texas, New Mexico, and Arizona. This requires the employment of about 200 inspectors there, and during the year we found it necessary to inspect some 12,000,000 head of cattle. Without this inspection the commerce in cattle and sheep in the West would have been practically tied up.

It was almost impossible to ship those animals to market because the regulations of the various States requiring cattle shipped from sections that were infected to be certified prevented the shipment of cattle and sheep from almost all parts of the West, and with our inspection with the 200 inspectors in the West the channels of commerce have been kept open. During that same time we have inspected about 45,000,000 head of sheep, and it is in those two branches of our work that the money has been spent which has caused this deficiency for the current year. I might say further that in the appropriation bill just now passed both Houses and gone to conference provision has been made for carrying on this work during the next fiscal year.

The CHAIRMAN. How much have you on hand now of the appropriation?

Doctor SALMON. I can not give you the figures, but we are short just about the amount of money spent on the sheep scab and cattle mange. The work is running along, and we will be at least $150,000 short at the end of the year. We can bring our work within that much of an appropriation, of course, if we shut down on other lines of work and could run through to the end of the year with the money we have, but it would be necessary to stop all the inspection in the West and part of our meat inspection in order to do so.

Mr. LIVINGSTON. What is the rule in regard to the sheep scab. Do you prohibit their being shipped across the State line?

Doctor SALMON. If they are diseased or exposed we prohibit their being shipped until treated.

Mr. LIVINGSTON. How do you treat them?

Doctor SALMON. They are dipped in a liquor that cures the disease.

Mr. BURKETT. It is the State laws that you have to combat?

Doctor SALMON. We are carrying out the Federal law, and in many cases we are cooperating with the States.

Mr. BURKETT. The State passes a law to prohibit their shipment and you have to certify them and say they are all right?

Doctor SALMON. Yes, sir.

Mr. BURKETT. And if you did not do that sort of thing they would arrange for it, likely?

Doctor SALMON. For instance, if one State, like Minnesota, has a law prohibiting the shipment of sheep across the State without a certificate, the probability is that State would not make an arrangement to allow animals to be shipped that were infected. They would allow the animals to be shipped if it were shown that they were not dangerous to the animals in the States in which they went.

FOREST RESERVES, PROTECTING.

The CHAIRMAN. The next item is "For the protection of forest reserves." Has the law gone into effect transferring that Bureau from the Interior Department to your Department?

Secretary WILSON. Yes, sir. I think this estimate was made in the Interior Department. Doctor Pinchot is the Forester. He is here, if you will hear him.

The CHAIRMAN. Very well. You have asked for a deficiency of $50,000?

Doctor PINCHOT. Mr. Chairman, I can state the matter very briefly, I think. The transfer was made the 1st of February. The 1st of

February a year ago there was available $183,000. The balance for the rest of the year on the 1st of this February is $158,000. We figured up our liability for the force that is now in the field, and it amounts to $144,000. We have $158,000 plus about $6,000 for expenses, based on similar expenses of last year. We shall do more inspection, and therefore our expenses will be larger. It has been the custom to furlough a part of the ranger force, and we have now some 240 rangers on furlough who are needed for protection of the reserves. If those men are put back on duty for three months, it will cost $58,480, which will make a sum total of $207,000, to meet which we have $158,000.

The CHAIRMAN. Then if you put back the rangers on furlough now, you will need the $50,000 deficiency?

Doctor PINCHOT. Yes, sir.

The CHAIRMAN. Can you get along without an appropriation and take care of the reserves?

Doctor PINCHOT. No, sir; if we are lucky and have no severe fires, we can get through without any further deficiency if we have the $50,000, but if we do not have the $50,000 it will leave the reserves very largely unprotected.

The CHAIRMAN. What is the appropriation this year?

Doctor PINCHOT. Three hundred and seventy-five thousand dollars.

The CHAIRMAN. You can so apportion the money as to get through the next year without creating a deficiency?

Doctor PINCHOT. I think so. The bill which transferred the forest reserves gave the Secretary of Agriculture the authority to use the proceeds. During the last year the proceeds amounted to $59,000, and I think the proceeds will be somewhat more during the next year.

The CHAIRMAN. You can get through with that money and the $375,000 without creating a deficiency?

Doctor PINCHOT. Yes, sir; I believe we can do so next year if we have good luck.

Secretary WILSON. I want to say to the committee that we do not create deficiencies in my Department. If the committee gives us this money we will use it. If they do not we will stop the work. We will not create deficiencies.

The CHAIRMAN. I thank you.

POST-OFFICE DEPARTMENT.

STATIONERY.

STATEMENT OF MR. T. C. SULLIVAN.

The CHAIRMAN. On page 104 of the bill there is th eitem, "For stationery and blank books, including the amount necessary for the purchase of free penalty envelopes, $6,000." You estimated for $8,000 and we gave you $7,500, and now you have a deficiency of $6,000. What we want to know is wherein the deficiency arises?

Mr. SULLIVAN. The deficiency comes in the increase in the service, and also in the recent decision that we have had here. We have been serving the Post-Office Department's needs out of the postal-service funds. That is, requisitions which were made by the rural free delivery people have been supplied by the postal-service appropriation and not from the Post-Office Department, and we have recently found out

that that was wrong. It has necessitated their being filled from the Post-Office Department fund, but it is too small to do it.

The CHAIRMAN. How much do you have to furnish the rural free delivery out of this fund?

Mr. SULLIVAN. It increases the estimate $4,000 or $5,000 in addition to what we have been paying.

The CHAIRMAN. It costs, then, for the rural free delivery division from $4,000 to $5,000, and you have been paying that out of another fund?

Mr. SULLIVAN. We have been furnishing those supplies out of the other fund for the reason that it was not clear to us whether or not we could do that.

The CHAIRMAN. When did you commence this practice of furnishing the rural free delivery division?

Mr. SULLIVAN. When the rural free delivery was established.

The CHAIRMAN. When did you commence the practice of furnishing the rural free delivery division out of this fund?

Mr. SULLIVAN. This year, 1905, when Mr. Chance was made superintendent of the division he decided that the practice was wrong.

The CHAIRMAN. And that, in addition to the increase of business, causes the deficiency of $6,000?

Mr. SULLIVAN. Yes, sir.

Mr. LIVINGSTON. Does that leave a surplus in the other fund?

Mr. SULLIVAN. Yes, sir; but still there is an increase in the demand on that fund right along all the time, and that fund should not be depleted any because of that amount. There is another idea also. When the rural free delivery started, in 1892, we had 600 clerks in the Post-Office Department. To-day there are 1,100 clerks, and we have been supplying the 1,100 clerks on the fund that was provided for 600. So while there has been an increase of nearly double the force we actually have less money to supply these people with stationery than we had in 1892.

The CHAIRMAN. You need the fund in that department?

Mr. SULLIVAN. We need an addition of $6,000 in the Post-Office Department fund without any question.

The CHAIRMAN. And then you will need the other also.

Mr. SULLIVAN. Yes, sir; we will need the other also, because there is a steady growth and demand on both appropriations.

HORSES AND VEHICLES.

The CHAIRMAN. The next item is "For purchase, exchange, and keeping of horses, and repair of wagons and harness, to be used only for official purposes, $300."

Mr. CHANCE. That comes under the chief clerk. It became necessary this year to make a purchase of two horses for the carriage of the Postmaster-General, costing $350, and we only have out of that fund left $310 for the balance of the year. This appropriation is necessary in order to keep the carriages going and to make certain repairs on them, which would cost $130.

Mr. LIVINGSTON. What did the horses cost?

Mr. CHANCE. Three hundred and fifty dollars for two horses.

Mr. LIVINGSTON. Where did you buy them, in Baltimore?

Mr. CHANCE. No, sir; we bought them here in town. I forget the

name of the man from whom we purchased them. They are not very good horses.

ELEVATOR.

The CHAIRMAN. The next item is, "For extension of the elevator in the anteroom of the Postmaster-General, from the first to the second floor, Post-Office Department building, $2,000." That is the private elevator?

Mr. CHANCE. Yes, sir.

The CHAIRMAN. That elevator runs up to the Postmaster-General's room?

Mr. CHANCE. Yes, sir. We want to run it clear down to the first floor, because we can not use it without taking another elevator or walking up one flight of stairs. This appropriation is needed to extend the elevator down to the first floor. The original intention when this elevator was put in was to connect the four Assistants, who were to be in that corner, but you know they are not there.

The CHAIRMAN. That is the only elevator of the kind in the building?

Mr. CHANCE. Yes, sir; it is in the southeast corner of the building. It goes up to the anteroom of the Postmaster-General, and he is anxious to have it extended to the first floor.

The CHAIRMAN. It is for the purpose of furnishing a private elevator for the Postmaster-General?

Mr. CHANCE. For the Postmaster-General and for Representatives and Senators who call upon him.

Mr. LIVINGSTON. You mean to say that you are going to take it from the fourth floor to the bottom?

Mr. CHANCE. From the first floor to the second floor. It runs from the second floor up. We want to extend it to the ground floor. You can not get to the elevator without walking up one flight of stairs.

The CHAIRMAN. How far up does it run?

Mr. CHANCE. To the seventh floor.

The CHAIRMAN. And stops at the second floor?

Mr. CHANCE. Yes, sir.

The CHAIRMAN. And you want to bring the elevator down to the first floor?

Mr. CHANCE. Yes, sir.

The CHAIRMAN. And that can be done for $2,000?

Mr. CHANCE. We have had bids ranging from $800 to $2,700, and we can get it done for $2,000.

Mr. BURKETT. How many elevators have you now?

Mr. CHANCE. We have four passenger elevators and one freight elevator. They accommodate about eleven passengers each.

The CHAIRMAN. Two passenger elevators on the west side and two passenger elevators and a freight elevator on the east side?

Mr. CHANCE. Yes, sir.

Mr. BURKETT. Do you not need room in that building more than elevators?

Mr. CHANCE. Yes, sir.

Mr. BURKETT. Would it not be better to remove the elevator and have the room?

Mr. CHANCE. It would not make a room; it would be a very dark room. It is just a small elevator. It will hold about six or seven people, I should think.

POSTAL SERVICE.

SUBSTITUTE CLERKS.

The CHAIRMAN. The next paragraph is, "The Postmaster-General is authorized to allow the employment of substitute clerks in first and second class post-offices in place of regular clerks absent from duty in excess of the fifteen days' leave of absence, with pay, allowed by law, and when so employed substitute clerks may be paid the full salary of the absent clerks."

Mr. LIVINGSTON. Let us see if we understand this matter. The clerk gets fifteen days' leave with pay, that is where a man is entitled to fifteen days' leave?

Mr. WATERS. We pay under the law for not exceeding fifteen days' leave.

Mr. GRANDFIELD. If a clerk is absent in excess of the fifteen days the postmaster puts on a substitute who receives his pay during the absence.

The CHAIRMAN. What would be the effect of the change here suggested?

Mr. GRANDFIELD. It would simply legalize the practice that has been in vogue for twenty-five years. The Comptroller raised the point that the present practice without legislation is not legal and this legalizes it.

The CHAIRMAN. This has been the practice for twenty-five years?

Mr. GRANDFIELD. Yes, sir. The point the Comptroller raised was this: An absent clerk signs the pay roll, but the substitute gets the money. So the pay roll is not true. The substitute has no right to sign the pay roll unless this legislation is enacted.

The CHAIRMAN. Where do you get the substitute from?

Mr, GRANDFIELD. He is selected from the-eligible list register in the case of a classified office, and he serves only when called on in the place of some one absent.

The CHAIRMAN. Then you have a regular list of substitutes that you put on in place of these people?

Mr. GRANDFIELD. Yes, sir.

Mr. LIVINGSTON. And you have done this all the time?

Mr. GRANDFIELD. Yes, sir. The same practice prevails in the case of letter carriers, and also in the case of railway-mail clerks. This amendment is not broad enough. It would be better to use the language adopted in the House bill which has passed the House and is now reported to the Senate.

The CHAIRMAN. What House bill?

Mr. GRANDFIELD. The post-office appropriation bill for next year.

The CHAIRMAN. They have corrected the matter in their bill?

Mr. GRANDFIELD. Yes, sir.

Mr. BURKETT. Then you will be all right after the 1st of July?

Mr. GRANDFIELD. Yes, sir; but between now and the 1st of July we are doing something illegal.

The CHAIRMAN. The paragraph in the post-office appropriation bill for next year reads "hereafter" so that it becomes a law immediately after the bill is signed.

Mr. GRANDFIELD. That is all that is necessary.

SPECIAL ALLOWANCE OF CLERK HIRE FOR UNUSUAL BUSINESS.

The CHAIRMAN. The next item is, "The Postmaster-General may, in his discretion, make special allowances for clerk hire payable from the appropriation for unusual business to meet exigencies in Alaska arising from local conditions."

Mr. GRANDFIELD. That is the same case, at least a somewhat similar case. The recent ruling of the Assistant Attorney-General for the Post-Office Department restricts the Postmaster-General in making allowances for unusual business and he defines unusual business to mean business that is unusual to the office and not to the service at large. The business in Alaska is unusual to the service at large, but not to each particular office, and consequently the appropriation could not be used under that ruling.

The CHAIRMAN. Was this matter presented to the Post-Office Committee?

Mr. GRANDFIELD. Yes, sir.

The CHAIRMAN. Did they do anything?

Mr. GRANDFIELD. The Senate committee agreed to put it in the bill. The House committee did not. I think it was agreed to in the House committee, that was our understanding,

The CHAIRMAN. But it was not reported on the bill?

Mr. GRANDFIELD. No, sir.

RENT, LIGHT, AND FUEL.

The CHAIRMAN. The next item is, "For rent, light, and fuel for first, second, and third class post-offices; $50,000?"

Mr. GRANDFIELD. This is a case where the appropriation was insufficient to begin with. It was not as much as the estimate, and we are now in excess of the appropriation $37,000. If continued at the present rate until the close of the fiscal year there would be that much of a deficiency, and if we continue to make increases as the service demands until the end of the year the deficiency will be not less than $50,000.

The CHAIRMAN. What became of the excess charges that were discovered? Were they ever rectified?

Mr. GRANDFIELD. Such as could be rectified.

The CHAIRMAN. How many were rectified?

Mr. GRANDFIELD. Five or six.

The CHAIRMAN. Do I understand that you will have to have this $50,000 for the contracts you have now made and will have to make from now to the 1st of July?

Mr. GRANDFIELD. Yes, sir.

The CHAIRMAN. Have you some fixed plan of ascertaining what allowance should be made?

Mr. WATERS. We try to make the best bargain we can. There is a fixed rate as to third-class post-offices. There are a great many third-class post-offices. I will just call your attention to the fact that there were about 2,800 less post-offices on January 1 this year than on January 1 last year. At the same time there were 299 more Presidential post-offices. That is due no doubt to the increase in the rural free-delivery service discontinuing the small post-offices at which no rent, light, or fuel is allowed. At the same time it makes necessary

some allowance for rent, light, and fuel as soon as the offices come up to the third class.

The CHAIRMAN. You pay the rent of buildings in all third-class offices?

Mr. WATERS. There may be some few cases where no allowance is asked. The postmaster may take the post-office in his place of business in which case there would be no expense for rent, light, or fuel. Sometimes we take advantage of that, provided the public does not suffer.

The CHAIRMAN. But the rule is that you pay the rent?

Mr. WATERS. We allow a maximum of about $132 for a thousand-dollar office, but we do not allow the maximum, and are not obliged to, in a majority of the cases.

Mr. LIVINGSTON. In a majority of the cases it is a mighty poor rental that you give them?

Mr. WATERS. Yes, sir.

Mr. LIVINGSTON. Is there any way to help it?

Mr. WATERS. We could, of course, raise the scale. We pay as high as $400 for a third-class office, but we would not give $400 to the lower grade. It ranges from $400 down; $400 is limited by law.

CANCELING MACHINES.

The CHAIRMAN. The next item is, "For rental or purchase of canceling machines and motors and power therefor on account of fiscal years, as follows: For the fiscal year 1902, $490."

Mr. GRANDFIELD. That is a bill that was incurred for the purchase of motors for the use of canceling machines. It was not presented at the proper time owing to the carelessness of the bookkeeper of the company that made the motors. It was not presented for some time afterwards and when presented the appropriation was exhausted, or we thought it was, and after the accounts had all been settled there was a sufficient balance to pay all but the amount of money asked for here. The motors were actually furnished and are in use, and if the motors had not been furnished the canceling machines would have been thrown out of working order.

The CHAIRMAN. They were necessary for the operation of the canceling machines?

Mr. GRANDFIELD. Yes, sir.

The CHAIRMAN. And you had authority of law to make the purchase?

Mr. GRANDFIELD. Yes, sir; but of course not to exceed the appropriation.

The CHAIRMAN. "For the fiscal year 1903, $4,172.50."

Mr. GRANDFIELD. The purchase of the motors extended over the two fiscal years.

The CHAIRMAN. How many motors will be furnished for this $4,000?

Mr. GRANDFIELD. The cheapest motor is $39.

The CHAIRMAN. You say these machines can not be operated without the motors?

Mr. GRANDFIELD. No, sir; the motor is the operating machinery.

The CHAIRMAN. Who was responsible for buying the machines incomplete?

Mr. GRANDFIELD. We do not buy the canceling machines. We rent them. The Government furnishes the motor and the power. We

have a contract under the terms of which the owner furnishes the machines and we furnish the motors and power.

Mr. LIVINGSTON. Is the power electricity?

Mr. GRANDFIELD. Yes, sir. There are probably half a dozen water-power motors, but a great many are electrical.

Mr. BURKETT. Did you exhaust the appropriation?

Mr. GRANDFIELD. Yes, sir.

Mr. BURKETT. That is because you rented too many canceling machines and had to have the motors to run them?

Mr. GRANDFIELD. Yes, sir.

Mr. BURKETT. Who is responsible for running the Government into debt that way beyond the appropriation?

Mr. GRANDFIELD. I think the motors were purchased with the understanding that they would be paid for in another year.

Mr. BURKETT. An understanding, where?

Mr. GRANDFIELD. In the Department—the man in the Department who made the purchases.

Mr. BURKETT. And the men you bought the motors from?

Mr. GRANDFIELD. Yes, sir.

Mr. BURKETT. What right had the Department to buy something with the expectation that it could be paid for hereafter?

Mr. GRANDFIELD. We know now; we did not know then.

Mr. LIVINGSTON. Do you buy canceling machines for the third-class offices?

Mr. GRANDFIELD. No, sir; only at the first and second class offices.

TO REIMRURSE C. VAN COTT, LATE POSTMASTER AT NEW YORK, N. Y.

The CHAIRMAN. The next item is, "To reimburse C. Van Cott, late postmaster at New York, N. Y., for salary paid to H. Clay Graff between October 1, 1902, and June 17, 1903, which was disallowed by the Auditor for the Post-Office Department, $1,285.71."

Mr. GRANDFIELD. This is a claim that was presented to Congress once before and not acted upon. Graff was a canceling-machine inspector. He was appointed clerk in the New York post-office October 1, 1902, and assigned to the duty of installing and inspecting the canceling machines throughout the country. That was a part of his duty. Then he was transferred to the Department and acted as a clerk in the Department in charge of the canceling machine work. The postmaster, at the direction of the Department, paid him his salary as a clerk in the New York office. The postmaster, of course, was not responsible for Graff's appointment or his subsequent service as canceling-machine inspector and also as a clerk in the Department, but at the same time he has been made to suffer because the Department holds him responsible for the proper payment of the salary. The man actually performed service, but the employment was, perhaps, irregular.

Mr. LIVINGSTON. How came he to be transferred from the inspector service to a clerkship in the post-office?

Mr. GRANDFIELD. There were five or six men appointed as canceling-machine inspectors. They were mechanical experts, qualified to set up a machine and to repair the machine if anything was wrong and to instruct the postmaster in its use and care. Mr. Graff was one of them.

Mr. LIVINGSTON. When he was dismissed as an inspector why did he cease to inspect?

Mr. GRANDFIELD. The Postmaster-General decided that that method of assigning a man to work, not specifically provided for by law, was illegal, and he discontinued the services of all the canceling-machine inspectors and sent them back to the post-offices, on the rolls of which they were carried.

Mr. LIVINGSTON. Then he was illegally appointed an inspector, and was he not just as illegally sent back to the office?

Mr. GRANDFIELD. He was not illegally assigned an inspector. He was illegally detailed. He was properly appointed as a clerk, but his detail was decided to be illegal.

Mr. LIVINGSTON. Is this one of the men who was connected with Mr. Hedges?

Mr. GRANDFIELD. No, sir.

Mr. BURKETT. He was employed in the New York office and the Department here wanted him to perform that duty, and they did not get him in the bill, and they got him in this way?

Mr. GRANDFIELD. That is about the sum of it.

Mr. BURKETT. And the man in New York never should have paid him his salary when he was not doing anything there?

Mr. GRANDFIELD. He had the authority of the Postmaster-General to pay it, and at the time the payment was made I do not suppose that he realized that he had authority to tell the Postmaster-General that he would not pay it.

STATIONERY.

The CHAIRMAN. The next item is, "For stationery for the postal service, $10.000." You had your estimate of $65,000?

Mr. [illegible]. Mr. Chairman, at the time that estimate for a deficiency was made the expenditures seemed to warrant a request for that amount. Since that time it does not appear that there will be very much of a necessity for a deficiency in that particular item.

WRAPPING TWINE.

The CHAIRMAN. The next item is, "For wrapping twine and tying devices, $70,000."

Mr. LAMAR. On that item it seems that there will be at least that much required on account of the high price at which the twine is purchased under the present contract. Twine is very much higher than it has been for years, and there has been an increase all along the line in the postal service, which requires an additional increase in the amount furnished, as well as on account of the price of the twine.

The CHAIRMAN. How do you buy the twine; by the pound?

Mr. LAMAR. Yes, sir; 11.4 cents a pound this year. Last year it was 10.9 cents. The year before it was 8.32 cents.

Mr. LIVINGSTON. What kind of twine do you purchase?

Mr. LAMAR. Jute.

Mr. LIVINGSTON. Manila jute?

Mr. LAMAR. Yes, sir.

Mr. LIVINGSTON. Why do you not buy cotton twine?

Mr. LAMAR. There has been considerable discussion on the question

for some years as to the relative merits of the different twine and there was a report made.

Mr. LIVINGSTON. That was under Johnson?

Mr. LAMAR. Yes, sir.

Mr. LIVINGSTON. Under Johnson you opened a contract for cotton twine and you bought it one year and then you decided to stop it?

Mr. LAMAR. I am not familiar with the details of the report in connection with the matter. I know it was a subject of controversy.

Mr. LIVINGSTON. Do you not know that if you confine yourself to jute that it will increase in cost every year? Is it not reasonable to suppose that it will?

Mr. LAMAR. I am speaking simply from the standpoint of the actual demand of the Department for the issue of twine. So far as the policy of purchasing twine or cotton or any other substitute is concerned, as a clerk in the supply division, I have nothing to say.

Mr. LIVINGSTON. I thought you were the purchasing agent?

Mr. LAMAR. No, sir.

Mr. BURKETT. This deficiency appropriation of $70,000 added to the appropriation of last year, $145,000, will make $215,000, $20,000 over your estimate for next year?

Mr. LAMAR. While $215,000 will be required at the present price of twine, I understand they expect to reduce the estimate to $195,000 for the next year on account of the fact that they propose to use a cheaper grade of twine for certain purposes, and in that way they can get along with less money than will be expended this year under the appropriation and the deficiency asked for.

The CHAIRMAN. Do I understand that at the beginning of the year you contract for the twine for the year?

Mr. LAMAR. Yes, sir.

The CHAIRMAN. And under your contract price for tl[illegible]ear this deficiency will be necessary?

Mr. LAMAR. Yes, sir.

The CHAIRMAN. Then you hope next year to reduce the appropriation by using a grade of twine not quite so good?

Mr. LAMAR. Not reduce the appropriation, but reduce what is necessary this year in both the direct and deficiency appropriations.

Mr. LIVINGSTON. What is the competition you find when you come to get this twine; how many companies or individuals bid to supply it?

Mr. LAMAR. I am not prepared to answer that question, because I am not on the committee of awards.

The CHAIRMAN. In the appropriation bill before me I find that we only appropriated $175,000 for wrapping twine for next year. If we allow this deficiency the appropriations will amount to $215,000, or $40,000 more than you will have next year?

Mr. LAMAR. All those matters have been presented to the Senate committee. They are now considering the bill and have them under consideration. We have made the same statement there as here. One hundred and seventy-five thousand dollars will not be sufficient for wrapping twine, but by a modification of the specifications we expect to get a cheaper grade of twine for some purposes. We could get through with $195,000, provided for in the estimate.

The CHAIRMAN. What do you mean by "tying devices?"

Mr. LAMAR. As a matter of fact they are not being used at all. At one time there was an approved device submitted which was to be a

great economy in the use of twine. They were patented arrangements for tying and untying twine.

The CHAIRMAN. As a matter of fact you do not use them at all?

Mr. LAMAR. No, sir.

The CHAIRMAN. This appropriation is wholly used for wrapping twine?

Mr. LAMAR. Yes, sir.

The CHAIRMAN. How have you arrived at the deficiency of $70,000—can not that be reduced?

Mr. LAMAR. I think it was arrived at by figuring the percentage of the amount expended up to date. At least this estimate of $70,000 was submitted several months ago.

Mr. COCHRAN. I find that we will need about $59,000.

The CHAIRMAN. You can get along with $59,000?

Mr. COCHRAN. Yes, sir.

The CHAIRMAN. If you do not get more than $175,000 next year what are you going to do? There is a disposition in Congress not to allow deficiency appropriations?

Mr. COCHRAN. I do not think there will be a deficiency next year. This year we have a fixed sum, fixed appropriation, and a fixed contract, and we have used up all the money we have except $6,000, and there is nothing to buy twine with.

Mr. LIVINGSTON. Can not you cut the cloth according to the garment?

Mr. COCHRAN. Not where we are tied up with a contract?

Mr. LIVINGSTON. Can you do that next year?

Mr. COCHRAN. We expect to get better contracts and cheaper twine. I have been investigating that matter for three months, and I think it can be confidently said that the cost of twine will be materially reduced.

The CHAIRMAN. Who made this contract?

Mr. COCHRAN. The bids were called for by the supply division, and then the committee on awards appointed by the Postmaster-General made the recommendation and the contract was drawn.

The CHAIRMAN. That system is abolished. We have created a purchasing agent, and you occupy that position?

Mr. COCHRAN. I am the purchasing agent.

WRAPPING PAPER.

The CHAIRMAN. The next item is "For wrapping paper, $20,000?"

Mr. LAMAR. What has been said about twine applies in a large degree to wrapping paper. The price of wrapping paper has been somewhat higher this year, and the demands of the service for wrapping paper are on the increase all the time. The amount of this appropriation was $50,000, and up to February 15, $44,645 had been expended, leaving a balance of $5,355 available.

The CHAIRMAN. What are you paying for paper this year?

Mr. LAMAR. There are different sizes and that makes different prices.

The CHAIRMAN. What is the increased price this year over that of last year?

Mr. COCHRAN. I can not answer that question.

Mr. LAMAR. It is somewhat more, although not very much more, than it was last year.

The CHAIRMAN. Then it is rather the demand than the increased price which causes this deficiency?

Mr. LAMAR. Yes, sir.

The CHAIRMAN. On the item of wrapping paper we have the same conditions. They only give you in the post-office appropriation bill $55,000 for next year.

Mr. COCHRAN. I hope to accomplish the same thing there. There is a higher grade of paper used for facing slips than is necessary.

The CHAIRMAN. This committee may be subject to some criticism if we raise the post-office committee $20,000 and give you $70,000, when with the increased business you say you can get along with $55,000 next year. What is the matter with the contract this year?

Mr. COCHRAN. We are getting what the contract calls for, but the quality of the paper is too good. For instance, the paper has a tensile strength of 25 points for facing slips, while paper of half that tensile strength will answer all purposes and it holds the ink just as well.

The CHAIRMAN. Can you get along with less than $20,000?

Mr. COCHRAN. I am afraid we can not carry out the contract for the rest of the year with less than that amount.

POST-MARKING STAMPS.

The CHAIRMAN. The next item is, "For post-marking and rating stamps for the fiscal year 1904, to enable the Post-Office Department to pay B. Chambers, Lodge, Va., the contractor, for the manufacture of post-marking stamps, for steel dies '1906,' heretofore ordered and received from him, and which account was disallowed by the Comptroller of the Treasury, $1,179.75."

Mr. LAMAR. Mr. Chairman, the facts in connection with that case are these: Heretofore we have been in the habit of equipping the boxes we send out with the post-marking stamps, and whenever the year blocks which represent a particular year expire, we have been in the habit of sending two or three years additional type to replenish those boxes that are already in use. All the balance of the type and the other equipment of the stamps being complete, with the exception of the individual year blocks, it was necessary to complete the outfit. The order was made during last spring for type covering a period of two years, 1905 and 1906, to be paid for out of the appropriation of 1904, the Department regarding this simply in the nature of repairs to the outfits already in service.

The Auditor and Comptroller, however, took a different view and held that as those types bore the dates "1905" and "1906" upon their face that it was not a proper charge against the 1904 appropriation. They allowed half of the bill for the 1905 type to be paid out of the current appropriation. There was no appropriation available for the payment of the 1906 type. The order was given in good faith and the type supplied, and the two years were issued to the service and this recommendation was made in view of that fact. I will state further that an amendment has been put into the bill in the Senate, appropriating for the postal service, which authorizes type not exceeding four years to be purchased at any one time, and issued in the same way that we have heretofore issued it, it being much more economical as an administrative matter to send out this type at one time for a period of years than it is to go through all of that work each year.

Mr. BURKETT. Could you not pay for the 1906 type out of the 1905 appropriation the same as you paid for the 1905 type out of the 1904 appropriation?

Mr. LAMAR. They did not pay for the 1905 type out of the 1904 appropriation.

Mr. BURKETT. What did you pay it out of?

Mr. LAMAR. They would not pay any of it out of the 1904 appropriation.

Mr. BURKETT. You paid for the 1905 type out of the 1905 appropriation?

Mr. LAMAR. Yes, sir.

Mr. BURKETT. Then could you not pay for the 1906 type out of the 1906 appropriation?

Mr. LAMAR. The only trouble I can see about that is that the order not having been given and the goods not having been inspected there might be some complication.

Mr. BURKETT. The appropriation bill for 1906 has not been reduced in contemplation of getting this money in this bill?

Mr. LAMAR. This only amounts to $1,100.

Mr. BURKETT. Oh, I see.

PRINTING FACING SLIPS, ETC.

The CHAIRMAN. The next item is, "For printing facing slips, and cutting same, card slide, labels, blanks, and books of an urgent nature, $10,000?"

Mr. LAMAR. Mr. Chairman, the appropriation for printing facing slips was cut off arbitrarily last year to $15,000 from $30,000.

The CHAIRMAN. You only estimated for $15,000?

Mr. LAMAR. It is evident a mistake was made in that estimate because the records show that we have not expended less than $20,000 for quite a number of years.

The CHAIRMAN. You only estimated this year for $15,000?

Mr. LAMAR. We could not get through with that amount of facing slips. There has already been expended $14,639.

The CHAIRMAN. Have you a contract?

Mr. LAMAR. Yes, sir; a four years' contract, which expires next year, but it will be impossible to get through with less than $20,000 a year on the contract we are operating under now.

The CHAIRMAN. You have $15,000. Can you cut the $10,000 to $5,000 in order to make it $20,000?

Mr. COCHRAN. I do not make the requisitions. I simply make a computation of the amount already expended and assume that the same amount will be necessary for the rest of the year, and that it would require so much money.

MAIL MESSENGER SERVICE.

STATEMENT OF HON. W. S. SHALLENBERGER, SECOND ASSISTANT POSTMASTER-GENERAL.

The CHAIRMAN. The next item is, "For mail messenger service, $41,000."

Mr. SHALLENBERGER. I will state that the appropriation last year was $48,000 less than our estimate.

The CHAIRMAN. The appropriation seems to be more. Your estimate was $1,248,000, and the amount appropriated was $1,300,000.

Mr. SHALLENBERGER. There seems to be some discrepancy. The original estimate for 1905 was $1,248,000, and the amount appropriated was $1,200,000. The $100,000 was appropriated for the special item of the Chicago tunnel service. The actual expenditures for this year under orders already issued indicate that if the service is continued until the close of the present fiscal year we will certainly have a deficit of $41,000.

Mr. BURKETT. What is mail messenger service?

Mr. SHALLENBERGER. It is that class of service which can be thrown down on thirty days' notice by the contractor or can be discontinued by the Government on thirty days' notice. It is the service between the railway station and the post-offices and between the post-offices and the steamboat lines.

Mr. BURKETT. The wagon service?

Mr. SHALLENBERGER. It is not properly wagon service because there is no specific character of wagon or equipment required. It is the small service between the post-office and the railway station which is not under a four-year contract but under a contract terminable within thirty days.

Mr. LIVINGSTON. That is the service which carries the mail back and forth, say a quarter of a mile, from the station to the post-office.

Mr. SHALLENBERGER. If it is a quarter of a mile the railroad company is required by law to perform the service. Beyond that it becomes messenger service and the Department must perform it.

The CHAIRMAN. These contracts are all let by competition?

Mr. SHALLENBERGER. Yes, sir.

The CHAIRMAN. And you have no way of controlling the amount of expense?

Mr. SHALLENBERGER. We have not.

The CHAIRMAN. For "Mail bags, cord fasteners, label cases, and for labor and material necessary for repairing equipment, and for incidental expenses pertaining thereto. $37,000."

Mr. SHALLENBERGER. The estimate was $331,000 and the appropriation was $300,000. The estimates have been exceedingly close for this service in recent years. The increased cost of canvas made it necessary when contracting for this service to pay a little more than we have been in the habit of paying. We estimated on that basis, but even then did not estimate quite a sufficient amount, for the reason that quite a large increase in the No. 2 sack has been required in the last six months, for reasons which we could not foresee. Therefore we should like not only the estimate to be given in this bill, but $6,000 in addition.

The CHAIRMAN. What occasions the increase?

Mr. SHALLENBERGER. The increase of second-class matter—matter requiring the use of certain secure equipment.

The CHAIRMAN. Is the amount of second-class mail matter increasing very rapidly?

Mr. SHALLENBERGER. It has been.

The CHAIRMAN. What does the Government get for second-class mail matter?

Mr. SHALLENBERGER. One cent a pound.

The CHAIRMAN. What does it cost us to carry it?

Mr. SHALLENBERGER. That is variously estimated by different statisticians. I presume it is the cheapest of all matter we carry. It might be safe to say that something under 3 cents a pound would be the cost.

The CHAIRMAN. Then we lose 2 cents a pound, or substantially that, on every pound of second-class matter that we carry?

Mr. SHALLENBERGER. Not on every pound, because between short distances the rate is remunerative, but on the average distance there is probably that loss.

The CHAIRMAN. You want this $37,000 and $6,000 more. Can not you get along with the $37,000?

Mr. SHALLENBERGER. The $37,000 includes the $6,000.

The CHAIRMAN. The next item is "Railway mail service." The number of clerks appropriated for in the railway mail service for the current fiscal year is modified so as to allow 2,131 clerks of class 2, at not exceeding $900 each, and 905 clerks of class 1, at not exceeding $800, provided that this change be made without increasing the aggregate sum of money appropriated for clerks of the several classes of the railway mail service in the Post-Office appropriation act of April 28, 1904.

Mr. SHALLENBERGER. We desire this legislation in order that we might provide for needed service by increasing the number of clerks in the two lower classes to the extent of 100 each, each year increasing the aggregate appropriations for the several classes, but for the purpose of withholding appointments until such time in the year as we find it necessary to put on additional clerks to strengthen certain lines, at which time we desire to have the clerks regularly appointed at the salary applicable to the position, whether No. 1 or No. 2. But for this provision in the bill we shall find it necessary to withhold the designation of clerks until July 1, when the bill for the year 1905–6 becomes operative; that to the disadvantage of the service, while at the same time we shall be turning back into the Treasury a considerable sum of money appropriated in the current bill, but which we are not able to expend by reason of the fact that the accounting officers will not permit us to increase the number of clerks in any one of the classes, although we have the money with which to pay them. The segregation of clerks in recent years having required a very close estimate on the part of the railway mail service, which, although made with the utmost care can not always be accurate, we therefore simply ask that the several committees of the House and Senate will permit the Department to determine the number of clerks to be employed in each class without increasing the aggregate appropriation available.

Mr. LAMAR. In Executive Document No. 261 there is recommended the insertion in the deficiency bill of an item of $1,160 for the payment of certain paper. Mr. Schofield is here and has the facts in relation to that matter.

Mr. SCHOFIELD. This claim originated upon an order from the First Assistant Postmaster-General, dated March 20, 1902, reading: "Two dozen reams of wrapping paper for facing slips, 20 by 29, 29 pounds."

This order was made with the understanding that it should be paid for out of the appropriation for the free-delivery service. At that time Mr. Machen was the general superintendent of the service. The paper was furnished, was received by the division of supplies, inspected by the committee, and used. The bill for the paper was not forwarded

by the West Virginia Pulp and Paper Company for some months after the receipt of the paper.

During the time from the making of this order up to the time the bill was received the available cash in the hands of Mr. Machen had about been exhausted when he received the bill, and he could not pay it, but he expected to pay it out of his next year's appropriation. Another year passed without the bill being paid, and about October 1, I think, 1903, the First Assistant Postmaster-General, then Mr. Wynne, addressed a letter to the Postmaster-General inclosing the papers in the case and requesting that the amount, $1,660, be included in the deficiency estimate for that year. I was called before the committee at the time to explain this matter, and there was no objection to granting the allowance. Since that time I have been unable to find any place where the bill has been passed.

The CHAIRMAN. The Government got this paper?

Mr. SCHOFIELD. Yes, sir.

The CHAIRMAN. How did you happen to buy this little quantity?

Mr. SCHOFIELD. Our appropriation at that time had become exhausted, and we had supplied the rural free-delivery service with other items of stationery, and in order to recoup our finances and funds we had to take this paper or do without any.

The CHAIRMAN. Did you get the paper at a reasonable price?

Mr. SCHOFIELD. The regular contract price that we had been paying for our paper.

The CHAIRMAN. And it was equal in quality to the paper you were getting under your contract?

Mr. SCHOFIELD. Yes, sir; the same paper.

The CHAIRMAN. And they used it?

Mr. SCHOFIELD. Yes, sir.

STAMPED ENVELOPES AND NEWSPAPER WRAPPERS.

STATEMENT OF MR. W. C. FITCH.

The CHAIRMAN. The next item is, "For manufacture of stamped envelopes and newspaper wrappers, $10,000."

Mr. FITCH. The regular appropriation was $850,000, which was considerably less than the estimate, and the expenditures would indicate that $10,000 more will be needed for the fiscal year on this item.

The CHAIRMAN. How much have you expended up to date?

Mr. FITCH. I have not those figures.

The CHAIRMAN. Here is an appropriation of $850,000 for the manufacture of stamped envelopes and wrappers. Now, it is not going to affect the Government if you only expend $850,000 this year, is it?

Mr. FITCH. Yes, sir; it is for this reason. We do not carry a stock in advance except in exceptional cases. Envelopes are manufactured on the orders of postmasters who receive them from purchasers in lots of 500, or its multiple, running up to 100,000 in some cases.

The CHAIRMAN. But you have only a deficiency of $10,000 on a $850,000 appropriation?

Mr. FITCH. That is the amount we will need at the rate the money has been expended up to date.

Mr. BURKETT. Does the purchaser pay the cost of these stamped envelopes?

Mr. FITCH. Yes, sir.

The CHAIRMAN. The next item is, "For pay of agents and assistants to distribute stamped envelopes and newspaper wrappers, and expenses of agency of $5,000?"

Mr. FITCH. That appropriation was arbitrarily reduced by Congress from the Department's estimate, and considerably below the Department liability for pay of assistants and the conduct of the stamped envelope agency.

The CHAIRMAN. What do you pay out of this fund?

Mr. FITCH. We pay the Department's representative at the stamped envelope manufactory and his force.

The CHAIRMAN. How many have you of them?

Mr. FITCH. About a dozen.

The CHAIRMAN. What is their annual compensation?

Mr. FITCH. I have not the figures showing that.

The CHAIRMAN. What does your pay roll amount to?

Mr. FITCH. This year the pay roll amounts to about $20,000.

The CHAIRMAN. Evidently the Committee on Post-Offices wants you to discharge some of them. Can not you discharge some of them?

Mr. FITCH. No, sir.

Mr. BURKETT. What do they do?

Mr. FITCH. They are located at the manufactory in Connecticut. They receive the Department's orders for stamped envelopes, and communicate them, after recording them, to the contractor. They inspect the manufacture of stamped envelopes and their issue to the postmasters.

Mr. BURKETT. Are they issued to the postmasters direct from the factory?

Mr. FITCH. Yes, sir.

Mr. BURKETT. They do not come to the Department?

Mr. FITCH. No, sir.

Mr. BURKETT. Is all this cost figured in the stamped envelopes when you say that the consumer pays all the cost?

Mr. FITCH. Yes, sir.

Mr. BURKETT. Your contract price, then, with the manufacturer is less than your sale price to the consumer?

Mr. FITCH. Yes, sir.

The CHAIRMAN. I see the Post-Office Committee gives you this year $19,420. I suppose that is your exact pay roll?

Mr. FITCH. Yes, sir.

The CHAIRMAN. The next item is, "For pay of agent and assistants to distribute stamps, and expenses of agency, $2,000?"

Mr. FITCH. The same conditions exist there. The appropriation was arbitrarily reduced.

The CHAIRMAN. They give you $11,280 next year. That is to pay the salaries?

Mr. FITCH. Yes, sir; mostly.

The CHAIRMAN. The next item is, "For pay of agents and assistants to distribute postal cards, and expenses of agency, $1,000?"

Mr. FITCH. The same conditions exist there as with reference to the stamped-envelope appropriation.

Mr. LIVINGSTON. One of the clerks is taken up on the legislative bill?

Mr. FITCH. Yes, sir; transferred to the Post-Office bill.

Mr. LIVINGSTON. Beginning with next year?

Mr. FITCH. Yes, sir.

REWARDS.

STATEMENT OF MR. W. J. VICKERY, CHIEF POST-OFFICE INSPECTOR.

The CHAIRMAN. The next item is "For payment of rewards for the detection, arrest, and conviction of post-office burglars, robbers, and highway mail robbers, $1,400."

Mr. VICKERY. These accounts would have been paid without any question, but for the fact that the year for which they were chargeable has long passed. The reward was not payable until after conviction. The crime was committed in 1895 and they were not convicted until 1903. The appropriation had therefore lapsed and there had to be legislation.

The CHAIRMAN. You are annually allowed a fund out of which these rewards are paid?

Mr. VICKERY. Yes, sir; $25,000.

The CHAIRMAN. Who determines what the reward shall be?

Mr. VICKERY. The Postmaster-General is allowed to make special reward offers when necessary. He issues reward circulars that fix the amount of the reward. In this case it was $200. These men operated at New Albany, Ind., and several other places. They were arrested. This man Schevers was entitled to the reward of $200 for getting the evidence which caused the arrest and conviction. While under arrest the prisoners escaped and there was a special reward offered of $1,000 for the arrest of the ones who had escaped. They were rearrested and finally convicted, and upon conviction the reward became due, but in the meantime the appropriation had lapsed.

The CHAIRMAN. They are entitled to this money?

Mr. VICKERY. Yes, sir.

RURAL FREE DELIVERY.

STATEMENT OF MR. W. R. SPILMAN, SUPERINTENDENT.

The CHAIRMAN. The next item is, "For pay of rural carriers in the rural free-delivery service, $500,000." Please explain the necessity for that appropriation? What would occur if this appropriation should not be allowed?

Mr. SPILMAN. It has already occurred. We are not establishing any more rural routes.

The CHAIRMAN. If we gave you $100,000, what could you do with it?

Mr. SPILMAN. If we used it right away we could establish about 600 routes.

The CHAIRMAN. Are those all the routes you could establish between now and the 1st of July?

Mr. SPILMAN. If we used it right away; yes, sir. That is, if we ordered the routes established as rapidly as possible.

Mr. BURKETT. How many routes are there to be established?

Mr. SPILMAN. Probably 900.

The CHAIRMAN. What can you do with $300,000?

Mr. SPILMAN. It will take $350,000 up to the 1st of July, provided we begin the establishing of service effective April 1. If we make it effective April 15 it will take a little less.

The CHAIRMAN. Then, if we gave you $250,000 or $300,000 it would keep you busy?

Mr. SPILMAN. Yes, sir; but it would not quite establish all the routes that have been favorably reported on.

The CHAIRMAN. You could take up the balance when the appropriation for the fiscal year was available?

Mr. SPILMAN. Yes, sir.

Mr. LIVINGSTON. It will take $350,000 to include them all?

Mr. SPILMAN. Yes, sir. I think with that amount we can take in everything reported on before the 1st of June.

The CHAIRMAN. The next item is "For salaries of clerks at division headquarters of post-office inspectors, traveling expenses of inspectors without per diem, and of inspectors in charge, and expenses incurred by field inspectors not covered by per diem allowance, $12,350."

Mr. VICKERY. That is the amount that the last estimate was cut down. That covers, of course, the payment of clerks at division headquarters, which involves $52,000 a year. It includes the payment of all livery hire and telegraph bills of 165 traveling inspectors, and it includes the actual traveling expenses of about fifty more.

The CHAIRMAN. Can you get along with less than $12,350?

Mr. VICKERY. We began to cut expenses just as close as we could. We are short of clerks at the different headquarters and have been for some time, and the work is piling up. I do not see how we can possibly reduce the estimate. We might make it $10,000, but certainly not less than that and do justice to the service.

STATEMENT OF MR. E. H. THORP, SUPERINTENDENT CITY DELIVERY SERVICE.

READING STOVE WORKS.

The CHAIRMAN. The next item is, "For compensation of the Reading Stove Works—Orr, Painter & Company—Reading, Pa., for the storage of 360 letter boxes from February 18, 1902, to June 30, 1904, $283.93?"

Mr. THORP. It was found about six months ago that the Department owned these 360 letter boxes which were left stored up at Reading during the time that the Reading Stove Works had the contract. We also found among the files various bills that had been submitted to the Department for the storage of them at the rate of $50 a month prior to the time when the city delivery was turned over to General Bristow, and those bills had been simply acknowledged by the Department but not paid, presumably because the appropriations for incidental expenses for 1902 and 1903 were exhausted.

The CHAIRMAN. Did the Government have any contract for storage?

Mr. THORP. No, sir; there was no contract. They rendered the bills for one year at the rate of $50 a month or $600 a year. About six or eight months ago an inspector was sent up there to straighten the matter out, and he succeeded in getting the company to reduce their monthly charge from $50 to $10, and this $283.93 represents the storage on the boxes from February 18, 1902, when they were paid for by the Department.

The CHAIRMAN. Who ordered them stored there?

Mr. THORP. The records are not clear. They were left there in order that a so-called time-indicating device might be put on them by the Reading Stove Works, the device being made by another concern in the same city. This $283.93 represents the storage from February 18, 1902, when the boxes were paid for by the Government, up to July 1 last, when they were taken away.

The CHAIRMAN. This agreement was made by the inspector?

Mr. THORP. Yes, sir. He agreed to submit it to the Department. The appropriation having lapsed we were unable to obtain authority from the Department to pay the bill without special legislation. It is a very modest bill, only about one-fifth of what was originally charged the Government.

Mr. LIVINGSTON. What was the contract originally, to take them away as fast as manufactured?

Mr. THORP. I do not think there was any special contract covering that point, but they were simply left on the hands of this company, and they wrote, it appears from the old correspondence, that they be taken away because they were in the way. They stated in one of their letters that they had gone to the expense of a thousand dollars to strengthen the building in order to store them.

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